

MVB Financial Corp. Board of Directors

Audit Committee Charter Approved: 06-19-18

1. Purpose

The Board of Directors (the “Board”) of MVB Financial Corp. (“MVB Financial”), in fulfilling its responsibility for effective board governance of MVB Financial and its subsidiaries, (hereinafter collectively referred to as “MVB”) has duly established the Audit Committee (the “Committee”).

The Committee is established by the Board to: (1) assist the Board in monitoring the integrity of the accounting and financial reporting process, systems of internal controls and financial statements and reports of MVB; (2) be directly responsible for the appointment, compensation and oversight of the independent auditor employed by MVB for the purpose of preparing or issuing an audit report or related work; (3) be responsible for the appointment, compensation and oversight of the internal auditor; (4) assist the Board in monitoring compliance by MVB with legal and regulatory requirements, including holding company, banking, mortgage and insurance regulations and the Sarbanes Oxley Act; (5) oversee management corrective actions when such needs have been identified; and, (6) oversee MVB’s Whistleblower Policy, oversee MVB’s risk management program for effectiveness and ensure the Board incorporates the appropriate risk management processes in its work.

2. General Responsibilities of the Committee

a. Oversight of Independent, External Auditor. With regard to independent, external audit activities, the Committee shall:

- i. Select, engage, compensate, oversee and, where appropriate, replace the independent registered public accounting firm (“Auditor”), subject to any required Board and shareholder approvals. The Auditor shall not provide any services unless approved by the Committee. The Committee shall require that the Auditor issue a written report of such audit directly to the Committee;
- ii. Discuss with the Auditor the overall scope and plans for the audit including the adequacy of staffing and compensation and submit to management the audit, non-audit, administrative and other fees to be paid by management on behalf of the Committee;
- iii. Ascertain that both the lead and the concurring audit partners are restricted to a maximum of five consecutive years of serving in either capacity. In addition, the Committee shall ascertain that after the initial service period, both the lead and concurring partners not perform any audit services in either capacity for a minimum of five consecutive years. The Committee should also ascertain that after the initial service period, the lead partner does not step down into an engagement quality review role that would cause the lead partner to review his or her own work. Finally, the Committee shall ascertain that any partner other than the lead or concurring partner serves no more than seven consecutive years at the partner level on the MVB’s audit;
- iv. Review (with management and the Auditor) the Auditor’s assessment of the adequacy of internal controls and the resolution of identified material weaknesses and reportable conditions, including the prevention or detection of management override or compromise of the internal control system. Further, the Committee shall meet separately as deemed

necessary with the Auditor, without management present, to discuss the results of its examinations, or for any other reason the Committee deems necessary;

- v. Work with management and the Auditor to monitor the MVB's compliance with laws and regulations;
- vi. Resolve any significant disagreements between the Auditor and management;
- vii. Receive and review communications submitted by the Auditors and regulators and take appropriate actions;
- viii. Require receipt from the Auditors of a formal written statement delineating all relationships between the Auditors and MVB, consistent with Independence Standards Board Standard 1, and the Committee's responsibility for actively engaging in a dialogue with the Auditor with respect to any disclosed relationships or services that may impact the objectivity and independence of the Auditor and for taking, or recommending that the full board take, appropriate action to oversee the independence of the outside Auditor;
- ix. Review the results of the annual audit, the audited financial statements included in the Form 10-K and discuss the results of the audit and any other matters required to be communicated to the Committee by the Auditor under generally accepted auditing standards, including any comments or recommendations of the Auditor;
- x. Receive affirmative acknowledgement from the Auditor that it is accountable only to the Committee;
- xi. Require that the Auditor review the Company's interim financial statements prior to filing the quarterly report on Form 10-Q. Also, the Committee shall discuss the results of the quarterly review and any other matters required to be communicated to the Committee by the Auditor under generally accepted auditing standards. The chair of the Committee may represent the entire Committee for purpose of this review; and,
- xii. Conduct executive sessions with the outside auditors without the presence of Management as deemed necessary, but no less than annually.

b. Oversight of Internal Audit. With regard to internal audit activities, the Committee shall:

- i. Approve the Internal Audit Charter on an annual basis.
- ii. Approve the annual risk-based internal audit plan.
- iii. Approve the engagement letter of any independent certified public accountant or other qualified vendor(s) used by the SVP/Audit to perform routine internal audits on major risk areas;
- iv. Review and approve the scope, effectiveness, and results of the MVB's internal audit function;
- v. Review communications submitted by the internal auditor and take appropriate actions;
- vi. Approve decisions regarding the appointment or removal of the SVP.Audit,

- vii. Review incidents of internal fraud to determine their impact in relation to the financial reporting process and the overall systems of internal control.
- c. Oversight of Enterprise Risk Management Activities.** With regard to enterprise risk management activities, the Committee shall:
- i. Review the work of the MVB Risk Oversight Committee and the Chief Risk Officer to ensure that the MVB Financial Board is well-versed on risk issues and has the opportunity to question and provide guidance on day-to-day and long-term MVB risk management activities.
 - ii. Review significant financial and other risk exposures and the steps management has taken to monitor, control and report such exposures, including, without limitation, credit, market, fiduciary, liquidity, reputational, operational, fraud, strategic, technology, (data-security business-continuity risk, etc.) and risks associated with incentive compensation plans.
 - iii. Approve and periodically review, at least annually, MVB's enterprise risk management program.
 - iv. Discuss with management and the CRO, MVB's major risk exposures and review how management has monitored, mitigated, and controlled such exposures, including MVB's risk assessment and risk management policies and practices.
 - v. Assist develop, approve, and keep current MVB's risk appetite statement and associated identified risk tolerance levels on an annual basis or as circumstances warrant.
 - vi. Work in coordination with other MVB Financial Board committees and subcommittees that engage in risk management functions to ensure that there is comprehensive, coordinated enterprise risk management for MVB.
- d. Loan Review and Asset Quality Matters.** With regard to loan review and asset quality matters, the Committee shall:
- i. Engage a qualified vendor to perform a periodic review of MVB's loan portfolio to assess the quality of the MVB's underwriting, approval function, loan documentation, account management and risk identification processes;
 - ii. Review and approve the scope, effectiveness, and results of the MVB's loan review function; and,
 - iii. Review communications submitted by the outside vendor and take appropriate actions.
- e. Oversight of Compliance and Whistleblower Matters.** With regard to compliance, whistleblower and other ethics matters, the Committee shall:
- i. Ensure an effective whistleblower policy is in place and kept current to include assuring all employees and others, as applicable, are aware of the whistleblower policy and understand its purpose and process for use;

- ii. Review, process and retain any complaints or other communications received by MVB's Chief Credit and Risk Officer, MVB's Chief Compliance Officer, an employee of MVB or the independent external auditor regarding accounting, internal accounting controls or auditing matters;
- iii. Review, process and retain confidential, anonymous submissions – made through MVB's third party ethics hotline or otherwise – by employees of MVB regarding questionable internal control, accounting or auditing matters;
- iv. Cause an investigation to be made into any matter brought to its attention that is within the scope of its duties, with the power to retain independent outside counsel or other professionals for this purpose if, in its judgment, that is appropriate; and,
- v. Engage independent counsel, or other advisors or experts, as it determines necessary in the performance of its duties.

Further, the Committee shall have oversight responsibility for MVB's compliance with applicable holding company, banking, mortgage, insurance, broker-dealer and investment advisory laws and regulations to include reviewing the effectiveness of the system for monitoring compliance and laws and regulations and the results of management's investigation and follow-up (including disciplinary action) of any instances of noncompliance. Among other regulations, specifically, the Committee shall provide oversight for key banking regulations, including MVB's compliance with Bank Secrecy Act (the "BSA") and adherence to the Insider Borrowing Policy with all borrowings.

- f. **Reporting to Board of Directors.** Reports of meetings of the Committee shall be made to the Board at its next regularly scheduled meeting following the Committee meeting accompanied by any recommendations to the Board approved by the Committee. In addition, the Committee shall provide at least one written report annually to the Board of Directors describing the Committee's:
 - i. Historical and planned activities for carrying out the Committee's duties and responsibilities.
 - ii. Appraisal of the financial reporting processes and systems of internal accounting controls.
 - iii. Recommendations regarding the engagement of the Auditor.
 - iv. Assessment of the adequacy of the Committee Charter.
- g. **Oversee Proxy Report.** The Committee shall oversee the preparation of the report for enclosure in the MVB proxy statement that discloses that the Committee has or has not recommended that MVB's audited financial statement be filed with the appropriate regulatory authorities as well as appropriate oversight conclusions.
- h. **Audit Committee Support Position.** To support the Committee activities, an MVB Financial employee will assist in coordinating the required activities of the Committee, including; assisting in the selection of the external and internal auditing firms; providing the Committee with technical support related to internal and external audit work; working with the Committee Chair on Committee meeting logistics; updating, as directed by the Committee, of any policies, processes and schedules of the Committee; and reporting, regularly, on Committee matters that the MVB Financial employee oversees or coordinates on behalf of the Committee. This MVB Financial

employee will report directly to the Committee, but will be managed day-to-day by the MVB Financial Chief Executive Officer.

- i. Review Related Party Transactions.** To review, approve and oversee any transaction between MVB and any related person (as defined in Item 404 of Regulation S-K) and any other potential conflict of interest situations on an ongoing basis, in accordance with MVB policies and procedures.
- j. Other Responsibilities.** In performing its functions, undertake those tasks and responsibilities that, in its judgment, would contribute most effectively to and implement the purposes of the Audit Committee.

3. Membership

- a. Composition of the Committee.** The Committee shall consist of no fewer than three members of the Board. All Committee members shall satisfy the definition of “independent” under the listing standards of the Nasdaq Stock Market, Inc. or any successor thereto (“Nasdaq”) and meet the independence requirements of Rule 10A-3(b)(1) of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), and other applicable rules and regulations of the SEC, including the requirement that they not accept directly or indirectly any consulting, advisory, or other compensation from MVB and its subsidiaries (other than directors’ fees received in his or her capacity as a member of the Committee, the Board or another committee of the Board).

In addition, a member of the Committee shall not have participated in the preparation of the financial statements of the MVB during any of the last three years. Each of the members of the Committee should be able to understand fundamental financial statements, and at least one member of the Committee must have past employment experience in finance or accounting, requisite professional certification in accounting, or any other comparable experience or background that rises to the level of such financial sophistication, including being or having been a chief executive officer, chief financial officer, or other senior officer with financial oversight responsibilities, to be in compliance with SEC regulations and be designated the “audit committee financial expert” as that term is defined in Item 407(d)(5)(ii) of Regulation S-K.

Further, no director who has outstanding loans or other extensions of credit from MVB that have been identified as classified by the MVB, by any state regulator, or by the FDIC may serve as a member of the Committee during any period during which such loan or extension of credit is classified.

- b. Selection of Members.** The members of the Committee shall be appointed annually by the Board on the recommendation of the Governance Committee.
- c. Selection of the Chair.** The Chair of the Committee shall be appointed annually by the Board on the recommendation of the Governance Committee.
- d. Vacancies.** Vacancies on the Committee or in the Chair shall be filled by the Board upon recommendation of the Governance Committee at the next meeting of the Board following the occurrence of the vacancy.
- e. Removal or Replacement of Members.** Members of the committee may be removed or replaced, with or without cause, by a majority vote of the Board.

4. Meetings, Minutes and Voting

- a. **Meeting Schedule.** The Committee will meet as often as necessary to carry out its responsibilities. The Chair, in consultation with the other members of the Committee, shall set the time, frequency and agenda of each meeting. The Committee shall not meet unless a majority of the members are present in person or telephonically and all decisions shall be by majority vote.
- b. **Agendas.** The Chair, in consultation with the other members of the Committee, shall establish the Agenda of items to be addressed at each upcoming meeting of the Committee.
- c. **Quorum.** A majority of the members of the Committee present in person or by means of a conference telephone or other communications equipment by means of which all persons participating in the meeting can hear each other shall constitute a quorum.
- d. **Procedures.** The Chair will preside at each meeting of the Committee. The Chair shall ensure that the agenda for each upcoming meeting of the Committee is circulated to each member of the Committee as well as to each other director in advance of the meeting. The Chair, subject to the approval of a majority of the members of the Committee, shall have the authority to change the agenda to respond to any matters that warrant attention.
- e. **Voting.** The Committee shall make decisions and take other actions by majority vote.
- f. **Minutes.** The Committee shall keep minutes of each meeting and file those minutes with the Board Secretary in a timely fashion.

5. Reports

Reports of meetings of the Committee shall be made to the Board at its next regularly scheduled meeting following the Committee meeting accompanied by any recommendations to the Board approved by the Committee.

6. Advisors and Counsel; Cooperation and Reliance

The Committee shall have the resources and authority to discharge its responsibilities; and the Board shall provide appropriate funding, as determined by the Committee, in its capacity as a committee of the Board, with notification to the MVB Financial CEO.

- a. **Retention of Advisors and Counsel.** The Committee shall have the authority, in its sole discretion, to obtain advice and assistance from, and to retain at MVB's expense, such administrative support, independent or outside legal counsel, accounting or other advisors and experts as the Committee determines necessary or appropriate to carry out its duties, and in connection therewith to receive appropriate funding, as determined by the Committee, from MVB, with notification to the MVB Financial CEO.
- b. **Determine Administrative Expenses.** The Committee shall have the authority to determine the level and cost of separate administrative support necessary or appropriate in carrying out its duties, with MVB bearing such costs.
- c. **Required Participation of Employees.** The Committee shall have unrestricted access to MVB's employees, independent auditors, and outside counsel and may require any employee of MVB or representative of MVB's independent auditors or outside counsel to attend meetings of the

Committee or to meet with any members of the Committee or representative of the Committee's counsel, advisors, or experts.

- d. **Reliance Permitted.** The Committee may act in reliance upon other committees of the Board, management and other employees, MVB's independent auditors, internal auditors, advisors and experts, as it deems necessary or appropriate.

7. Evaluation of the Committee

The Committee shall, on an annual basis, evaluate its performance under this Charter. In conducting this review, the Committee shall evaluate:

- a. **Scope of Charter.** Whether this Charter appropriately addresses the matters that are or should be within its scope.
- b. **Quality of Committee Work.** The adequacy, appropriateness and quality of the information and recommendations presented by the Committee to the Board.
- c. **Participation of Members and Quality of Decision Process.** The manner in which they were discussed or debated, whether all members actively participated and contributed to the work of the Committee.
- d. **Length and Number of Meetings.** Whether the number and length of meetings of the Committee were adequate for the Committee to complete its work in a thorough and thoughtful manner.
- e. **Other Appropriate Factors.** Such other factors as the Committee deems relevant to the completion of its responsibilities under this Charter.

8. Rules and Procedures

Except as expressly set forth in this Charter or the bylaws and operating agreements of MVB Financial and its subsidiaries or MVB Governance Guidelines, or as otherwise required by law or overriding regulatory rules, the Committee shall establish its own rules and procedures that are consistent with this Charter.

9. Limitation on Responsibility

Nothing in this Charter or in a member's service on the Committee shall increase or be deemed to increase the liability of any member of the Board under applicable state law.

10. Annual Review of Charter

The Committee shall review this Charter at least annually and recommend to the Board for its consideration and action revisions to this Charter, as the Committee shall deem necessary or appropriate. The Committee shall review and reassess the adequacy of this Charter annually and recommend any proposed changes to the Board for approval.