

Pioneer Bank Charitable Foundation

Audit/Examining Committee of the Board of Directors

Charter

I Purpose

The primary function of the Audit/Examining Committee (the Committee) is to assist the Board of Directors in fulfilling its oversight responsibilities by serving as an independent and objective party to monitor Pioneer Bank Charitable Foundation (the company) financial reporting process and internal control systems. Consistent with the function, the Audit/Examining Committee will encourage improvement of, and adherence to, the Company's policies, procedures and practices. The Committee will review and appraise the audit efforts of the Company's independent accountants. The Committee will provide an open avenue of communication among the independent accountants, management and the Board of Directors.

II Composition

The Committee shall be comprised of three or more directors as determined by the Board, each of whom shall be an independent director and free from any relationship that, in the opinion of the Board, would interfere with the exercise of his or her independent judgment as a member of the Committee. All members of the Committee shall be familiar with basic finance and accounting practices and be able to read and understand fundamental financial statements.

The members of the Committee shall be appointed by the Board of Directors of the Pioneer Bank Charitable Foundation at the annual organizational meeting of the Board. Unless a Chair is appointed by the full Board, the members of the Committee may designate a Chair by majority vote of the full Committee membership.

III Meetings

The Committee shall meet at least annually, or more frequently as circumstances dictate. The Committee shall also meet privately in executive session at all meetings, unless the Chairperson of the Committee determines that this is not necessary. The Committee may meet with the representatives of management and the independent accountants in separate executive sessions to discuss any matters that the Committee or each of these groups believe should be discussed privately. In addition, the Committee should meet with the independent accountants and representatives of management at least annually to review the financial statements.

IV Responsibilities and Duties

1. Annually review and update as necessary the Audit/Examining Committee Charter.
2. Recommend to the Board of Directors the selection of the independent accountants, and compensation to be paid.
3. The Committee shall receive and review the results of the annual audit and any other required communications from the independent auditors or regulators.
4. Review the Company's annual audited financial statements prior to their filing with the regulatory agencies. The review should include discussion with management and independent auditors of significant issues regarding accounting principals and judgments.
5. Review separately with each of management, the independent accountants and the internal audit department, any significant difficulties, disagreements or restrictions encountered during the course of the annual audit.
6. Periodically consult with the independent accountants, out of the presence of management, about internal controls and the fullness and accuracy of the financial statements and reporting. The Committee shall consider the independent accountants' judgment about the integrity, quality and appropriateness of the Company's accounting principles and financial reporting.
7. The Committee shall have the authority to consult with outside counsel or independent financial accountants regarding any representation in the Foundation Audited Financial Statements.
8. Review as necessary with the organization's legal counsel, any legal matter that could have a significant impact on the organization's financial statements.
9. Responsible to receive, investigate, and act upon inquiries from any member of management regarding an alleged accounting or auditing impropriety.
10. Perform any other activities consistent with this Charter, and the Company's By-laws and governing law, as the Committee or the Board of Directors deems appropriate or necessary.