

**ENTERPRISE RISK MANAGEMENT COMMITTEE
OF THE BOARD OF DIRECTORS**
Board approved April 22, 2015
CHARTER

PURPOSE

The Board of Directors of People’s Utah Bancorp (the “Corporation”) understands that effective risk management is a key driver to the long-term, sustainable success of the Corporation and Bank of American Fork and Lewiston State Bank (its “Banks”). The purpose of the Enterprise Risk Management Committee is to assist the Board of Directors of the Corporation and its Banks in fulfilling their oversight responsibilities with regards to the Corporation's risk management program as follows:

- Oversee the enterprise risk management practices of the Corporation and its Banks in relation to the identification, measurement, monitoring, and controlling of the Corporation's principle business risks. Principle business risk categories include but are not limited to: strategic risk, credit risk, market / interest rate risk, liquidity risk, operational risk, regulatory / legal / compliance risk, and reputation risk.
- Provide an open and ongoing communication forum between management, third parties, and the Board of Directors of the Corporation and its Banks to discuss risks and risk management.

The scope of the Enterprise Risk Management Committee extends over the entire enterprise, including the parent Corporation, bank divisions, and subsidiaries. The Enterprise Risk Management Committee will primarily fulfill these responsibilities by carrying out the activities enumerated in Section IV of this Charter.

COMPOSITION

The Enterprise Risk Management Committee (“Committee”) shall be comprised of a minimum of three persons two or more whom are independent directors as determined by the Board. The members of the Committee shall be selected by the Board at the annual meeting of the Board or until their successors shall be duly appointed and qualified. Except as otherwise directed by the Board, a director selected as a Committee member shall continue to be a member for as long as he or she remains a director or until his or her earlier resignation from the Committee. Any member may be removed from the Committee by the Board, with or without cause, at any time. The Chair of the Committee shall be selected by the Board of Directors.

As part of the Dodd-Frank Act, the Federal Reserve Board requires publicly traded bank-holding companies with consolidated assets of \$10 billion or more to have a board-level risk committee.

The board-level risk committee must be responsible for the oversight of the Corporation's enterprise-wide risk management practices, include independent directors, and include at least one risk-management expert with experience in identifying, assessing, and managing risk exposures of large complex firms. The Corporation is not obligated to follow this FRB directive due to its assets being below \$10 billion; however, the Enterprise Risk Committee and Board will use its reasonable efforts to proactively comply with the regulatory pronouncement.

MEETINGS

The Committee shall meet at least four times annually, or more frequently as circumstances dictate. The Chair or any member of the Committee may call a Committee meeting. The Chair shall preside over all Committee meetings, and in the absence of the Chair, the Committee members present may appoint a chair from the members in attendance. The Committee may meet in joint session with the Audit and Compliance Committee from time to time to discuss areas of common interest.

The Committee may request any officer, employee, attorney, auditor, consultant, regulator, or advisor to attend a meeting or to meet with any member of the Committee. As part of its job to foster open communication, the Enterprise Risk Committee will provide agenda time during which the Committee can meet separately in executive session with any such individual to discuss matters the Committee or these individuals believe should be discussed privately.

RESPONSIBILITIES AND DUTIES

The Enterprise Risk Management Committee shall have the responsibilities and duties set forth below as well as other matters specifically delegated to the Committee by the Board.

1. Monitor, along with the full Board, board committees, and management committees, the organization's risks, and coordinate risk management efforts for the organization. While first-line ownership of various broad risk categories may reside with a separate committee or the full Board, the Enterprise Risk Committee's interest extends over all organizational risk types. Principle business risk categories include, but are not limited to: strategic risk, credit risk, market / interest rate risk, liquidity risk, operational risk, regulatory / legal / compliance risk, and reputation risk.
2. Evaluate risk identification, measurement, monitoring, and control techniques employed by management and ensure current methodologies remain commensurate with the Corporation's size and complexity.
3. Engage management in an ongoing risk appetite dialogue as conditions and circumstances change and new opportunities arise. Review and approve the Corporation's risk appetite statement on an annual basis and approve any material amendments to the risk appetite statement. Monitor the Corporation's and its Banks adherence to its risk appetite.
4. Review and make recommendations around key risk reports, policies, risk limits and risk mitigation plans.

5. Examine external data such as banking trends and economic indicators to gauge the Corporation's exposure/impact and recommend timely mitigation strategies as necessary.
6. Promote the linkage between risk management and the strategic planning process.
7. Discuss safety and soundness regulations and examination findings. Monitor management's implementation progress on both the regulations and findings.
8. Oversee management's processes regarding the proposal of new strategic endeavors, projects and services to ensure such endeavors are within the Board's risk appetite and risks are proactively mitigated.
9. Review material operational risk events, including losses and near misses.
10. Review the status of litigation and insurance claims activity.
11. Review material vendor/third-party due diligence activities.
12. Review and evaluate the Corporation and its insurance programs.
13. Investigate or authorize full investigation into any and all areas within its jurisdiction.
14. Retain special legal, accounting, or other consultants to advise the Committee. The Enterprise Risk Committee will determine, in its capacity as a committee of the Board, the appropriate funding necessary to compensate any advisors to the Enterprise Risk Committee, and will work with the Board as a whole to ensure that such funds are provided pursuant to the Corporation's responsibility to do so.
15. Ensure the Corporation's Enterprise Risk Management ("ERM") officer has sufficient stature, authority, and seniority within the organization and is independent from individual business units within the organization. Assist the CEO in assessing and evaluating the capabilities and performance of the ERM officer.

In carrying out these responsibilities and duties, the Committee shall foster an environment which encourages the ERM officer or any other Corporation or Bank officer or employee to raise any risk issues or concerns freely and without concern for retribution.