

FRANKLIN FINANCIAL SERVICES CORPORATION

PERSONNEL COMMITTEE CHARTER

Approved February 25, 2016

1. General

The Personnel Committee (the "Committee") operates as a committee of the Board of Directors (the "Board") of Franklin Financial Services Corporation (the "Company") to discharge the Board's responsibilities relating to the compensation of the Company's and its subsidiaries' executive officers and other specified responsibilities related to personnel and compensation matters affecting the Company and its subsidiaries. References herein to the "Company" shall mean the Company and its subsidiaries.

(a) Compensation Philosophy. The Committee shall be responsible for establishing and periodically reviewing, evaluating and modifying, as appropriate, an overall compensation philosophy and policies, plans and programs thereunder for the Company's chief executive officer ("CEO"), other executive officers, exempt employees and non-exempt employees, designed to attract and retain qualified individuals, that are competitive with those of the Company's peers, including:

- (i) CEO Performance Evaluation and Compensation Policies. The approval of the Company's performance evaluation and compensation policies, plans and programs applicable to the Company CEO;
- (ii) Executive Officer Performance Evaluation and Compensation Policies. The approval of the Company's performance evaluation and compensation policies, plans and programs applicable to the executive officers of the Company other than the CEO;
- (iii) Exempt Employee Performance Evaluation and Compensation Policies. The approval of the Company's performance evaluation and compensation policies, plans and programs applicable to the exempt employees of the Company;
- (iv) Non-Exempt Employee Performance Evaluation and Compensation Policies. The approval of the Company's performance evaluation and compensation policies, plans and programs applicable to the non-exempt employees of the Company; and
- (v) Director Performance Evaluation and Compensation Policies. The evaluation of Director performance and the approval and evaluation of the Company's policies applicable to the compensation of directors of the Company.

(b) Equity-Based Compensation Plans. The Committee shall be responsible for the approval and administration of all equity-based compensation plans now or hereafter adopted by the Company.

(c) Employee Benefits Plans. The Committee shall be responsible for the approval of all employee benefits plans now or hereafter adopted by the Company. With respect to any funded employee benefit plan subject to the fiduciary responsibility provisions of the Employee Retirement Income Security Act of 1974, the Committee shall monitor, and shall have the authority to appoint or terminate, the named fiduciary or fiduciaries, unless the governing plan documents specify an alternative procedure for monitoring or appointment.

(d) Executive Agreements. The Committee shall review and make recommendations to the Board with respect to all employment agreements, severance arrangements, change in control agreements, and special or supplemental benefits for the Company's CEO and other executive officers.

(e) Business Ethics. The Committee shall be responsible for periodically reviewing and evaluating how effectively compliance with the Company's Code of Business Ethics and Conduct, Conflicts of Interest Policy for Directors and Executive Officers, and Code of Ethics Applicable to Senior Executives, and participation in risk management, are made important components of the CEO's and other executive officers' performance evaluations, and for reporting to the Board the results thereof.

(f) Workforce Diversity. The Committee shall be responsible for periodically reviewing and evaluating the Company's workforce diversity initiatives and how effectively participation therein is made an important component of the CEO's and other executive officers' performance evaluations, and for reporting thereon to the Board.

(g) Peer Group Designation. The Committee shall be responsible for periodically reviewing and approving the list of peer group companies to which the Company shall compare itself for compensation purposes.

(h) Incentive Compensation Risk Assessment. The Committee shall be responsible for evaluating whether the Company's incentive compensation arrangements appropriately balance risk and financial results in a manner that does not encourage employees to expose the Company to imprudent risks and for reviewing management's efforts to identify and monitor employees who, whether individually or as a group, have the ability to expose the Company to material risk, and for reporting to the Board the results thereof.

(i) Management Succession. The Committee shall be responsible for periodically reviewing and evaluating the Company's executive management succession plan and for reporting to the Board the results thereof.

(j) Company Stock Ownership. The Committee shall be responsible for periodically reviewing and evaluating the Company's policies or guidelines for ownership of Company stock by the Company's Directors, CEO and other executive officers and for reporting to the Board the results thereof.

(k) Section 16 and Regulation O Officers. The Committee shall be responsible for reviewing and recommending to the Board the appointment of each officer who is to be designated by the Board as an executive officer of the Company for purposes of Section 16 of the Securities Exchange Act of 1934, as amended, and Federal Reserve Board Regulation O.

(l) Board Continuing Education. The Committee shall, to the extent required by any applicable regulatory body or otherwise deemed advisable by the Committee, review and monitor a continuing education program for members of the Board.

(m) Board and Committee Monitoring and Performance. The Committee shall review and recommend to the Board guidelines and procedures to be used by the Board in monitoring and evaluating the performance of the Board and its Committees, and ensure that the Board and its Committees conduct an annual self-evaluation.

(n) Preparation of Required Reports. The Committee shall be responsible for preparing all reports required by law to be prepared by it.

(o) Other Responsibilities. In addition to the responsibilities described above, the Committee will perform such other related functions as it may in its discretion determine to be necessary or appropriate under applicable law, the Company's Articles of Incorporation and Bylaws, and the resolutions and other directives of the Board.

2. Committee Membership

(a) Number of Members. The Committee shall consist of a Chairman and no fewer than four other members.

(b) Qualifications. Each member of the Committee shall be a director of the Company who is: (i) an "independent director" as set forth in NASDAQ Rule 5605(a)(2), (ii) a "non-employee director" as set forth in Rule 16b-3(b)(3)(i) promulgated by the Securities and Exchange Commission (the "SEC"), and (iii) an "outside director" as set forth in Treasury Regulation Section 162-27(e)(3). No member of the Committee shall be an officer or former officer of the Company.

(c) Appointment. A majority of the Board, on the recommendation of the Chairman of the Board, shall appoint the Chairman and members of the Committee annually. The members of the Committee shall serve until their successors are appointed. Committee members may be removed and vacancies filled by the Board.

3. Committee Rules Of Procedure

Except as expressly provided in the Bylaws of the Company or this Charter, the Committee shall fix its own rules of procedure.

(a) Meetings. The Committee shall meet at least three times per year, or more frequently as circumstances dictate. Special meetings may be convened as the Committee deems necessary or appropriate. Except in extraordinary circumstances as determined by the Chairman

of the Committee, notice shall be given to each Committee member at least 48 hours in advance of a scheduled meeting.

(b) Quorum. A majority of the members of the Committee shall constitute a quorum to transact business. Members of the Committee may participate in a meeting of the Committee by means of telephone conference call or similar communications equipment by means of which all persons participating in the meeting can hear each other.

(c) Voting. The affirmative vote of a majority of the members of the Committee will be required to approve any action of the Committee. Subject to the requirements of any applicable law or regulation, any action required or permitted to be taken at a meeting of the Committee may be taken without a meeting if a consent in writing, setting forth the action so taken, is signed by all of the members of the Committee.

(d) Reliance. The Committee shall be entitled to rely in good faith upon information, opinions, reports, statements and other information prepared or presented to it by: (i) the officers and other employees of the Company whom the Committee believes to be reliable and competent in the matters presented; and (ii) counsel, public accountants or other experts as to matters which the Committee believes to be within the professional competence of any such expert.

(e) Compensation Consultant. The Committee shall have the sole authority to retain and terminate any compensation consultant to be used by the Committee in the performance of its responsibilities and shall have the sole authority to approve the consultant's fees and other retention terms with respect to such service to the Committee. The Committee shall periodically review the performance of any compensation consultant that it retains, and shall also periodically review the independence of such consultant. Any compensation consultant retained by the Committee shall periodically report to the Committee on the scope of services that the consultant and its affiliates provide to the Company, along with fees it receives for such services.

(f) Other Advisers. The Committee shall have the authority to retain independent counsel and such other advisors and experts as it deems necessary or appropriate to carry out its duties.

(g) Subcommittees. The Committee shall have the authority to establish subcommittees of one or more Committee members when appropriate and as permitted by law.

4. Annual Responsibilities

(a) Annual CEO Performance Evaluation and Base Salary. The Committee shall annually evaluate the performance of the CEO and determine the base salary payable to the CEO

(b) Determination of Annual Corporate Performance Measurements. The Committee shall annually approve corporate performance measurements applicable to the short term incentive compensation component of the compensation payable to the CEO and to the other executive officers of the Company.

(c) Annual Review of Equity-Based Compensation Plans. The Committee shall annually review and, if it determines that it is appropriate to do so, grant awards under the Company's equity-based compensation plans.

(d) Annual Review of Exempt Employee Performance Evaluation and Compensation Policies. The Committee shall annually review the performance evaluation and compensation policies applicable to the exempt employees of the Company.

(e) Annual Review of Non-Exempt Employee Performance Evaluation and Compensation Policies. The Committee shall annually review the performance evaluation and compensation policies applicable to the non-exempt employees of the Company.

(f) Annual Review of Director Compensation. The Committee shall annually review and evaluate the Company's policies applicable to the compensation of the directors of the Company, including the annual retainer payable to the Chairman of the Board, and shall make recommendations to the Board with respect to the compensation payable to all directors.

(g) Proxy Statement Disclosures. The Committee shall annually:

(i) review and discuss with management the Compensation Discussion and Analysis ("CD&A") to be included in the proxy statement to be filed in connection with the Company's annual meeting of stockholders;

(ii) determine whether to recommend to the Board that the CD&A be included in the proxy statement and, upon such recommendation, approve the Compensation Committee Report to be included in the proxy statement over the names of each member of the Committee; and

(iii) review and evaluate any compensation-related matters to be considered by the shareholders at the annual meeting and recommend any actions to be taken by the Board with respect to those proposals.

(h) Charter Evaluation. The Committee shall annually review the adequacy of this Charter and, if appropriate, shall recommend to the Board any proposed changes.

(i) Self Evaluation. The Committee shall conduct an annual self-evaluation of its performance.

5. Board Minutes and Reports

(a) Minutes. The Committee shall prepare minutes of each meeting and a copy of such minutes shall be distributed to the Board.

(b) Reports. The Committee shall report regularly to the Board on its activities.