



AUDIT COMMITTEE CHARTER

APPROVED BY BOARD OF DIRECTORS OF METRO BANCORP, INC. ON MARCH 20, 2015

I. PURPOSE

The Audit Committee ("Committee") is appointed on an annual basis by the Board of Directors ("Board") of Metro Bancorp, Inc. ("Metro") to assist the Board in carrying out its responsibilities relating to the integrity of Metro's financial statements; Metro's compliance with legal and regulatory requirements; the independent auditor's qualifications and independence; and the performance of Metro's internal audit function and independent auditors. The Committee shall also be responsible for producing an audit committee report as required by the Securities and Exchange Commission ("SEC") to be included in Metro's annual proxy statement.

II. COMMITTEE MEMBERSHIP

The Committee shall consist of at least three directors, each of whom will satisfy the independence and financial literacy requirements of the National Association of Securities Dealers Automated Quotation system listing standards, the Securities Exchange Act of 1934 and the rules and regulations of the SEC. At least one member of the Audit Committee will have the required accounting or related financial management expertise, as the Board interprets such expertise to mean.

The Board, through its Nominating and Corporate Governance Committee, will determine the qualifications of directors serving on the Committee and may, in its sole discretion, increase, replace or remove members at any time. The Board will appoint the Committee Chairperson ("Chairperson") on an annual basis. Members will serve in accordance with Metro's Bylaws for a period of one year from the date of the most recent annual reorganization meeting of the Board or until successors are identified and duly appointed.

No member of the Committee may simultaneously serve on the audit committees of more than two public companies unless the Board determines that such simultaneous service would not impair the ability of such Committee member to effectively serve on this Committee and discloses such determination in Metro's annual proxy statement.

III. MEETINGS

The Committee shall meet as often as it deems necessary, but not less frequently than four times per calendar year, with two of such meetings being in executive session. Attendance by more than 50% of the membership shall constitute a quorum. The affirmative vote of a majority of the members of the Committee present will be required to approve any action of the Committee.

The Chairperson, in consultation with the other members of the Committee, will determine the dates, times and places for Committee meetings; set the length of each meeting; and approve an agenda of items in advance of each meeting. One or more meetings may be conducted by teleconference or similar means, as deemed appropriate by the Chairperson.

Except for executive sessions, as determined by the Committee, the Chairman of the Board, *ex officio*, and Chief Auditor shall be considered permanent invitees to all Committee meetings. The Committee may invite other members of management to attend Committee meetings for specific presentations. The Committee, at its discretion, may meet in executive session with any senior officer of the Company. The Committee may also request any officer or employee of Metro, outside counsel or the independent auditor to attend any meeting of the Committee.

Minutes of each meeting will be kept and distributed to each member of the Committee, members of the Board who are not members of the Committee and the Secretary of the Company. The Chairperson of the Committee will provide a report of Committee activity to the Board at its next regularly scheduled meeting. In addition, the Chairperson of the Committee or his or her designee shall be available to answer any questions the other directors may have regarding the matters considered and actions taken by the Committee.

IV. DELEGATION OF AUTHORITY

Any duties and responsibilities of the Committee, including, but not limited to, the authority to preapprove all audit and permitted non-audit services, may be delegated to one or more members of the Committee or to a subcommittee of the Committee, as the Committee may deem appropriate in its sole discretion.

V. COMMITTEE AUTHORITY AND RESPONSIBILITIES

The authority and responsibilities of the Committee will be as follows:

- A. Be directly responsible for the appointment, compensation, retention and oversight of the work of any registered public accounting firm engaged (including resolution of disagreements between management and the auditor regarding financial reporting) for the purpose of preparing or issuing an audit report or performing other audit, review or attest services for Metro, and each such registered public accounting firm must report directly to the Audit Committee;
- B. Establish procedures for (i) the receipt, retention and treatment of complaints received by Metro regarding accounting, internal accounting controls or auditing matters, and (ii) the confidential, anonymous submissions by employees of concerns regarding questionable accounting or auditing matters;
- C. At least annually, obtain and review a report by the independent auditor describing: the firm's internal quality-control procedures; any material issues raised by the most recent internal quality-control review, or peer review, of the firm, or by any inquiry or investigation by governmental or professional authorities, within the preceding five years, respecting one or more independent audits carried out by the firm; and any steps taken by the firm to deal with any material issues raised by any review, inquiry or investigation;
- D. At least annually, in order to assess and ensure the auditor's independence, obtain from the independent auditor a formal written statement delineating all relationships between the independent auditor and Metro and the written disclosures and letter regarding the auditor's communications with the Committee concerning independence, as required by applicable auditing standards, and discuss with the independent auditor its independence, including any disclosed relationships or services that may impact its objectivity and independence;
- E. Review and discuss with management and the independent auditor Metro's annual audited financial statements and quarterly financial statements, including Metro's disclosures under "Management's Discussion and Analysis of Financial Condition and Results of Operations," underlying accounting judgments and estimates and the independent auditor's comments regarding the effectiveness of Metro's internal controls;
- F. Discuss Metro's earnings press releases, as well as financial information and earnings guidance provided to analysts and rating agencies;
- G. Discuss policies with respect to risk assessment and risk management;
- H. Meet separately, periodically, with management, with internal auditors (or other personnel or independent contractors responsible for the internal audit function) and with independent auditors;
- I. Review and approve annually the charter, activities, budget, staffing, and organizational structure of the internal audit function;

- J. Have the final authority to review and approve the annual audit plan, all major changes to the plan, and the internal audit risk assessment methodology;
- K. Ensure there are no unjustified restrictions or limitation (audit scope or budgetary) that impede the ability of the internal audit function to execute its responsibilities;
- L. At least once per year, review the performance of the Chief Auditor and concur with the annual compensation and salary adjustment;
- M. Review and concur in the appointment, replacement, or dismissal of the Chief Auditor;
- N. Review with the independent auditor any audit problems or difficulties and management's response;
- O. The Committee shall have the authority, to the extent it deems necessary or appropriate, to retain independent legal, accounting, or other advisors, including search firms. Metro shall provide for adequate funding, as determined by the Committee, for payment of compensation to any such advisors and for the ordinary operating expenses of the Committee that are necessary or appropriate to carry out its duties;
- P. Set clear hiring policies for employees or former employees of the independent auditors;
- Q. Report to the Board regarding actions taken by and the activities and findings of the Committee, as well as any recommendations for action by the Board, when appropriate;
- R. Perform an annual self-assessment of the Committee;
- S. Review and reassess annually the adequacy of this Charter and recommend to the Board for approval any proposed changes to this Charter;
- T. Comply with all preapproval requirements of Section 10A(i) of the Securities Exchange Act of 1934 and all SEC rules relating to the administration by the Audit Committee of the auditor engagement to the extent necessary to maintain the independence of the auditor; and
- U. Make such other recommendations to the Board on such matters, within the scope of its function, as may come to its attention and which in its discretion warrant consideration by the Board.

VI. DISCLOSURE OF CHARTER

This Charter will be published on Metro's website, www.MyMetroBank.com

VII. LIMITATIONS

The Audit Committee is responsible for the duties and responsibilities set forth in this charter, but its role is oversight and therefore it is not responsible for either the preparation of Metro's financial statements or the auditing of Metro's financial statements. Management has the responsibility for preparing the financial statements and implementing internal controls and the independent auditors have the responsibility for auditing the financial statements and monitoring the effectiveness of the internal controls, subject, in each case, to the oversight of the Audit Committee described in this charter. The review of the financial statements by the Audit Committee is not of the same character or quality as the audit performed by the independent auditors.