

## **Disclosure Control Committee Charter**

This Disclosure Control Committee Charter (the “Charter”) has been adopted by the Chief Executive Officer (CEO) and Chief Financial Officer (CFO) (the “Senior Officers”) of Union Bankshares, Inc. (the “Company”) and ratified by the Audit Committee of the Board of Directors. The Disclosure Control Committee (the “Committee”) shall review and reassess this Charter annually, and submit any recommended changes to the Senior Officers and the Audit Committee for approval.

### **I. Purpose**

It is the Company’s policy that all disclosures made by the Company to its shareholders, the investment community, its regulators or on the Company’s website should be accurate, complete and fairly present the Company’s financial condition and results of operations in all material respects, and should be made on a timely basis as required by applicable laws, regulations and stock exchange requirements.

### **II. Responsibility**

The Committee shall assist the Senior Officers in fulfilling their responsibility for oversight of the accuracy and timeliness of the disclosures made by the Company by being responsible for the following tasks, in each case subject to the supervision and oversight of the Senior Officers:

- The Committee shall meet prior to the filing of each of the Company’s annual and quarterly Exchange Act reports, as necessary to evaluate the necessity of making public disclosures, and otherwise as it determines.
- The Committee shall annually review and approve the guidelines and procedures to be distributed to appropriate management and other Company personnel designed to gather timely the information required to be disclosed in the Company’s Exchange Act reports (which include annual and quarterly reports and proxy statements). Such guidelines and procedures shall be designed to operate so that important information flows to the appropriate collection and disclosure points to allow timely decisions regarding such required disclosure.
- The CFO, in consultation with various committee members, shall establish timelines for preparation of the Company’s annual and quarterly Exchange Act reports and annual FDICIA report. The timelines shall include critical dates and deadlines during the disclosure process relating to the preparation of drafts, the circulation of drafts to appropriate Company personnel, the Company’s independent auditors and legal counsel, the receipt of comments and the review of comments by the Senior Officers. Such timetables should allow for circulation of draft reports to the Disclosure Control and Audit Committees sufficiently in advance of the applicable filing deadline in order to enable such persons to review carefully the filing and discuss any questions and comments related thereto.
- The Committee shall monitor the integrity and evaluate the effectiveness of the Company’s “disclosure controls and procedures” prior to the filing of each of the Company’s annual and quarterly Exchange Act reports and the annual FDICIA report and assist the Senior Officers with their evaluation of the effectiveness of those disclosure controls and procedures. The Committee’s evaluation shall include but not be limited to :
  - Assessing the adequacy of the controls and procedures in place to ensure that material information required to be disclosed in the Company’s periodic reports is being recorded, processed, summarized and reported accurately and completely in those periodic reports in a timely fashion;
  - Identifying all significant deficiencies in the design or operation of the Company’s internal controls which could adversely affect the Company’s ability to record, process, summarize and report financial data;

- Monitoring the corrective actions being taken to address significant deficiencies in the design or operation of the internal controls; and
- Identifying any fraud, whether or not material, that involves management or other employees who have a significant role in the Company's internal controls.
- Employee members of the Committee shall provide a formal certification to the Senior Officers prior to the filing with the SEC of each Exchange Act report and the annual FDICIA report as to certain of the items required to be certified by the Senior Officers.
- Employee members of the Committee shall review quarterly the internal and external testing of internal control procedures for their area of responsibility.
- The Committee shall review each annual and quarterly Exchange Act report prior to Audit Committee review and the Company filing the report with the SEC to assess the quality of the disclosures made in the report including, but not limited to whether the report is accurate and complete in all material respects. The review of Form 8-K's and press releases will reside with the Audit Committee.
- The Committee shall participate in discussions and make recommendations to the Senior Officers regarding decisions related to materiality of information and determination of disclosure obligations with respect to disclosure statements and Exchange Act reports.
- The individual Committee members shall report in the form of written, electronic or oral comments to the Senior Officers their evaluation findings and conclusions regarding the effectiveness of the Company's disclosure controls and procedures and the Committee's assessment of the quality of the disclosures made in each annual and quarterly Exchange Act report.
- The Committee shall meet, as necessary, with the Audit Committee to review internal controls and any comments or concerns either Committee may have regarding the review process and disclosure.

In discharging its duties, the Disclosure committee shall have full access to all Company books, records, facilities, and personnel, including the internal auditors and the Audit Committee.

### III. Organization

The membership of the Committee shall consist of the following:

#### **Union Bankshares, Inc.**

President and CEO

Treasurer and CFO

Director and Audit Committee Representative

#### **Union Bank – Senior Officers in the following areas**

Deposit Operations

Branch Administration

Lending

Electronic Banking

Internal Audit

Accounting & Finance

Risk

Human Resources

The Committee will also have representation from legal counsel and from the Company's external auditors who will be available to individual committee members for advice and may attend Committee meetings by invitation of the President and CEO, the Treasurer and CFO or the Director and Audit Committee representative.

Committee members (other than the Audit Committee representative, who shall be selected by the Audit Committee) may be replaced, or new members added, at any time and from time to time by the Senior Officers. The CFO is the acting Chair and is responsible for scheduling and presiding over the meetings and preparing agendas.

The Senior Officers, at their option, may at any time assume the responsibilities of the Disclosure Committee identified in this Charter, including, for example, approving other disclosure statements when time does not permit for the full Committee to meet.

The Chairman may delegate any of her responsibilities from time to time and has the authority to empower members of the Committee and other employees or representatives of the Company (including outside legal counsel and/or consultants) to act in furtherance of establishing and maintaining the appropriate Disclosure Controls and Procedures for the Company.

The Committee shall meet as frequently as circumstances dictate to (i) ensure the accuracy and completeness of the Exchange Act reports, and (ii) evaluate the Disclosure Controls and determine whether any changes to the Disclosure Controls are necessary or advisable in connection with the preparation of the Company's upcoming periodic reports or other Disclosure Statements, taking into account developments since the most recent meeting, including changes in the Company's organization and business lines, any change in economic or industry conditions and any regulatory requirement changes.

Members of the Committee may participate in a meeting of the Committee by means of a conference call or similar communications equipment by means of which all persons participating in the meeting can speak to and hear one another.

To the extent applicable, the Committee will consider the items set forth in a written agenda for each meeting. The Committee will also keep written minutes of the conduct of its meetings, as it deems necessary and appropriate under the circumstances.

#### **IV. Other Responsibilities**

The Committee shall also have such other responsibilities as the Senior Officers may assign to it from time to time.

#### **V. Interpretation**

Any questions of interpretation regarding this Charter, or the Committee's responsibilities or procedures, shall be determined initially by the Chair and, to the extent necessary, ultimately by the Senior Officers.