

**MADISON COUNTY FINANCIAL, INC.  
COMPENSATION COMMITTEE CHARTER**

**I. Purpose**

The Compensation Committee (the “Committee”) is appointed by the Board of Directors (the “Board”) of Madison County Financial, Inc. (the “Company”) to assist the Board in fulfilling its responsibilities relating to the compensation and benefits provided to the Company’s executive management (for the purposes of this Charter, “executive management” means each individual qualifying as an “officer” of the Company. The Committee is authorized to review, evaluate and recommend various benefit plans and overall compensation for the Company and its wholly owned subsidiaries.

**II. Committee Membership**

The Committee shall be comprised of a minimum of three directors, a majority of which shall be independent. If deemed necessary or appropriate, the Committee may appoint a subcommittee consisting of those members who qualify as an “outside director” under Section 162(m) of the Internal Revenue Code and the subcommittee shall be authorized to take all actions permitted to the Committee under this Charter. The Board of Directors shall appoint a new member or members in the event that there is a vacancy on the Committee that reduces the number of members below three, or in the event that the Board of Directors determines that the number of members on the Committee should be increased.

The members of the Committee shall be appointed by the Board and shall serve until their successors are duly appointed and qualified. Unless a Chair is appointed by the full Board, the members of the Committee shall designate a Chair by majority vote of the full Committee membership.

The entire Committee or any individual Committee member may be removed without cause by the affirmative vote of a majority of the Board of Directors. Any Committee member may resign effective upon giving written notice to the Chairman of the Board, the Corporate Secretary or the Board of Directors. The Board shall appoint a successor to take office when a resignation becomes effective.

**III. Meetings**

The Committee shall meet at least annually, and may hold additional meetings as needed or appropriate. The Committee may ask members of management or others, including legal counsel, to attend meetings or to provide relevant information. A majority of the entire Committee membership shall constitute a quorum, and all actions taken by the Committee shall require the affirmative vote of a majority of the membership of the Committee.

#### **IV. Authority and Responsibilities**

The specific authority and responsibilities of the Committee shall include, but are not limited to, the following:

1. Establish, review, and modify from time to time as appropriate the overall compensation philosophy of the Company.
2. Review, evaluate and recommend Company objectives relevant to the compensation of the Chief Executive Officer (“CEO”); evaluate CEO performance relative to established goals; and review, evaluate and recommend to the full Board of Directors CEO compensation. The CEO may not be present during voting or deliberations on his compensation.
3. Review, evaluate and recommend goals relevant to the compensation of the Company’s other executive management with the input of the CEO; and review such officers’ performance in light of these goals and determine (or recommend to the full Board of Directors for determination) such officers’ compensation based on this evaluation.
4. Review, evaluate and recommend succession planning and management development for executive officers, including the CEO.
5. Review, evaluate and determine, in consultation with the Nominating and Corporate Governance Committee as necessary, the compensation to be paid to directors of the Company and of affiliates of the Company for their service on the Board.
6. Review, evaluate and recommend to the full Board, the terms of employment and severance agreements/arrangements for executive officers, including any change of control and indemnification provisions, as well as other compensatory arrangements for executive management.
7. Administer any stock benefit plans adopted by the Company.
8. Retain any compensation and benefits consultant or legal counsel used to assist the Committee in fulfilling its responsibilities, provided that the concurrence of the full Board shall be obtained for expenditures exceeding \$25,000 in any year.
9. Report to the full Board of Directors any actions taken for ratification by the Board, as necessary.
10. Annually review and reassess the adequacy of this Charter and recommend changes to the Board as needed.

Adopted as of February 15, 2016