

United Bancorp, Inc. and Subsidiary Banks
Corporate Governance Guidelines
Adopted by the Board of Directors
April 17, 2019

General Philosophy

The board of directors of United Bancorp, Inc. ("United Bancorp") sets high standards for United Bancorp's employees, officers, and directors of United Bancorp, Inc. and Unified Bank. Implicit in this philosophy is the importance of sound corporate governance. It is the duty of the board of directors to serve as a prudent fiduciary for shareholders and to oversee the management of United Bancorp's businesses. To fulfill its responsibilities and to discharge its duty, the board of directors follows the procedures and standards that are set forth in these guidelines.

Board of Directors Functions

The board of directors shall:

- Review and approve strategic plans to enhance shareholder value
- Review corporate performance
- Oversee and evaluate management's systems for internal control, financial reporting and public disclosure
- Establish corporate governance standards
- Oversee and evaluate senior management performance and compensation
- Plan for effective succession of the chief executive officer and senior management
- Be apprised of relations with shareholders
- Set a tone for a climate of corporate trust and confidence
- Set standards for director qualification
- Set standards for director orientation and continuing education
- Undertake an annual performance evaluation of the board of directors
- Assist in business development when possible without exerting pressure on management to accommodate any customer request
- With the assistance of management, be prepared for meetings of the board of directors and committees of the board of directors of which the particular director is a member.

Director Qualifications

There should be no more than 25 members as a maximum or 4 members as a minimum on the board of directors. Each director should possess the highest personal and professional ethics and integrity, and be devoted to representing the interests of United Bancorp and our shareholders. In addition, each director is expected to conduct his or her personal affairs in a manner that will enhance the reputation of United Bancorp. A director must also be willing to devote sufficient time to carrying out his or her duties and responsibilities effectively. United Bancorp seeks to have a board of directors representing diverse experiences in business, government, education, technology and in various areas relevant to our businesses. United Bancorp also will consider the diversity, age, skills and other factors relevant to a director's overall qualifications in determining a combination of directors that will best serve the needs of the board and United Bancorp.

Effective January 1, 2019, the following standards shall be used to determine director qualifications:

- Depth and breadth of business and civic experience in leadership positions, and ties to United Bancorp's markets.

- A director must beneficially own within 24 months after becoming a director at least 5,000 United Bancorp common shares for service on the United Bancorp Board of Directors, and an additional 5,000 United Bancorp common shares for service on the Board of Directors of any subsidiary bank. This ownership of United Bancorp common shares is exclusive of non-vested restricted stock awards.
- The individual has particular skills or expertise that enhances the overall composition of the board of directors.

Nominations

Nominees for director will be recommended to the board of directors for nomination thereby in accordance with United Bancorp's Amended Code of Regulations by the Nominating and Governance Committee in accordance with the policies and principles of its charter and these Corporate Governance Guidelines. Shareholders may recommend an individual for nomination to the board of directors by submitting the name and qualifications of the potential candidate to the Chairman of the Nominating and Governance Committee. The submission should be received no later than October 31st of each year for consideration in regard to the next annual meeting of shareholders. Each shareholder recommendation that is supported by adequate information about the candidate's qualifications will be evaluated by the Nominating and Governance Committee.

Material Changes in Status or Qualifications; Mandatory Retirement

A Director who experiences a material change in life status, including but not limited to, the relocation of his or her primary residence and/or personal business, career or professional practice outside of United Bancorp's primary geographic markets, or any change in principal occupation, position or responsibility from that held when elected to the Board of Directors, will volunteer to resign from the Board by submitting a letter of resignation for consideration by the Board of Directors to the Chairman of the Nominating and Governance Committee. Although United Bancorp does not believe that it will be necessary in every instance that a Director who experiences such a change should leave the Board, the Nominating and Governance Committee should be afforded the opportunity to review the appropriateness of continued Board service under the new circumstances and make a recommendation to the full Board of Directors.

In addition, should any director encounter circumstances in his or her personal affairs that could be to the detriment of United Bancorp's reputation, that director will be expected to resign from the board of directors. Such letter of resignation shall be submitted to the Chairman of the Nominating and Governance Committee.

A director shall also submit a letter of resignation to the Chairman of the Nominating and Governance Committee immediately upon his or her attainment of age 75.

Executive Sessions of the Board of Directors

Annually, the board of directors shall hold at least two regularly scheduled executive sessions at which only independent directors are present. The Independent Chairman, Lead Director, or The Chairman of the Nominating and Governance Committee, or another independent director appointed by a majority of the independent directors, will be the presiding director for executive sessions of the independent directors.

Communications with Non-Management Members of the Board of Directors

An employee, officer or other interested party who has an interest in communicating with non-management members of the board of directors may do so by directing the communication to the Chairman of the Nominating and Governance Committee.

Director Responsibility

Directors must exercise sound business judgment and act in what they reasonably believe to be the best interests of United Bancorp and its shareholders. In discharging this obligation, directors may reasonably rely on the honesty and integrity of United Bancorp's management as well as that of its internal auditor and independent auditor.

United Bancorp will purchase reasonable directors' and officers' liability insurance for the benefit of its board of directors and management. In addition, directors and management shall be entitled to reasonable indemnification to the fullest extent permitted by law and Section 29 of United Bancorp's Amended Code of Regulations.

In order to effectively oversee the management of United Bancorp and its subsidiary banks, all directors are expected to attend meetings of the board of directors and meetings of committees of the board of directors of which they are members. Directors who attend less than seventy- five percent (75%) of meetings of the board of directors and meetings of committees of the board of directors of which they are members for two (2) consecutive years will not be eligible for nomination to the board of directors. Directors are expected to be prepared for these meetings and to be able to devote the time required. Information and data that are important to the understanding of the business to be conducted at a board of directors or committee meeting will generally be distributed in advance of the meeting.

Board of Directors Committees

The board of directors will maintain an Audit Committee, a Compensation Committee, a Nominating and Governance Committee, and such other committees as it determines appropriate. Each of the Audit Committee, the Compensation Committee and the Nominating and Governance Committee shall have written charters. These charters will address each committee's purpose, duties, goals and responsibilities as well as qualifications for committee membership, procedure for committee member appointment and removal, committee structure and operations, and committee reporting to the board of directors.

Each committee shall have the power to engage independent legal, financial or other advisors as it may deem necessary, without consulting or obtaining the approval of the board of directors or management of United Bancorp in advance.

The Audit Committee shall have exclusive authority to engage and terminate United Bancorp's independent auditor. The Audit Committee shall also pre-approve all engagements of the independent auditor for all services.

The Nominating and Governance Committee shall have exclusive authority to engage and terminate any consultant or search firm utilized to identify or recruit director candidates and to recommend to the board of directors nominees for election by shareholders.

The Compensation Committee shall have exclusive authority to set the compensation of the chief executive officer and senior management, subject to final approval by the corporation's board of directors.

Independence

A majority of the board of directors will be comprised of “independent directors” as defined by the rules of the NASDAQ Stock Market. "Independent Director" is defined by NASDAQ as any person other than an Executive Officer or employee of the Company or any other individual having a relationship which, in the opinion of the Company's board of directors, would interfere with the exercise of independent judgment in carrying out the responsibilities of a director. The board of directors annually will make an affirmative decision as to the independence of each director, based on its judgment as to whether the person meets the criteria for director independence established by the rules of the NASDAQ Stock Market and does not otherwise have any relationship with United Bancorp or its subsidiaries that would impair his or her independence. None of the following persons will be an independent director:

- Any officer or employee of United Bancorp or any of its subsidiaries;
- Any person who has been employed by United Bancorp or any of its subsidiaries at any time within the past three years;
- Any director who accepted or who has a family member who accepted any compensation from United Bancorp or any of its subsidiaries in excess of \$120,000 during any period of twelve consecutive months within the three years preceding the determination of independence, other than the following:
 - compensation for board or board committee service;
 - compensation paid to a family member who is a non-executive employee;
 - benefits under a tax-qualified retirement plan, or nondiscretionary compensation;
 - Non-preferential and non-compensatory payments made in the ordinary course of providing banking services, such as payments of interest or proceeds related to banking services or loans by United Bancorp’s financial institution subsidiary; and
 - payments arising solely from investments in the Company's securities.

This provision is intended to capture situations where a compensation is made directly to (or for the benefit of) the director or a family member of the director. For example, consulting or personal service contracts with a director or family member of the director would be analyzed under this provision. In addition, political contributions to the campaign of a director or a family member of the director would be considered indirect compensation under this provision as well. Depending on the circumstances, a loan or payment could be compensatory if, for example, it is not on terms generally available to the public.

- Any director who has a family member who is currently, or was at any time in the last three years, an executive officer of United Bancorp or any of its subsidiaries;
- A director who is, or has a family member who is, a partner, controlling shareholder or executive officer of any organization (for profit or nonprofit) to which United Bancorp made, or from which United Bancorp received, payments for property or services in the current or any of the last three fiscal years that exceed the greater of (1) 5% of the recipient’s consolidated gross revenues for the year or (2) \$200,000 (excluding payments

solely from investments in United Bancorp stock or payments under nondiscretionary charitable contribution matching programs.)

- Any director who within the past three years, has been part of an interlocking directorate in which an executive officer of United Bancorp serves on the compensation committee or a committee of a similar nature of another company that employed the director, or a family member of the director as an executive officer.
- Any director who is, or has a family member who is, a current partner of United Bancorp's outside auditor, or was a partner or employee of United Bancorp's outside auditor who worked on the audit of United Bancorp at any time during any of the past three years.

For purposes of these guidelines, a "family member" means a director's spouse, parents, children and siblings, whether by blood, marriage or adoption (including "in-law" relationships), or anyone residing in the director's home.

All of the members of the Audit Committee, Compensation Committee and Nominating and Governance Committee shall be independent directors under the criteria established by these Corporate Governance Guidelines. Each member of the Audit Committee will also meet the more stringent criteria for independence established for members of the Audit Committee by rules of The NASDAQ Stock Market.

The Nominating and Governance Committee is responsible for evaluating and reviewing with the board of directors, on an annual basis, the independence of each director both for service upon the board of directors and for service on the respective committees thereof in accordance with any applicable NASDAQ requirements.

Chairman of the Board

United Bancorp has no fixed policy with respect to the separation of the offices of Chairman of the Board and the Chief Executive Officer. We believe that this issue is part of the succession planning process, and that it is in the best interests of United Bancorp for the Board of Directors to make this determination from time to time when selecting a new Chief Executive Officer.

Service on Other Boards of Directors

To preserve independence and to avoid conflicts of interest, each director shall advise the Chairman of the Nominating and Governance Committee in advance of accepting an invitation to serve on another public company board of directors. The Nominating and Governance Committee will review whether such board membership may unduly impact the ability of the Director to fulfill his or her responsibilities as a Director of United Bancorp and, if so, shall make a recommendation to the Board.

Director Access to Officers and Employees

Directors have full and free access to officers and employees of United Bancorp. Any meetings or contacts that a director wishes to initiate may be arranged through the chief executive officer or the secretary or directly by the director. Directors should use their judgment to ensure that any such contact is not disruptive to the business operations of United Bancorp.

Director Compensation

The form and amount of director compensation are determined by the Compensation Committee in accordance with policies and principles set forth in its charter. The Compensation Committee will conduct an annual review of the director compensation.

In order to maintain independence for members of the Audit Committee, members of the Audit Committee may not directly or indirectly receive fees or other compensation for services as a consultant, legal advisor or financial advisor, regardless of the amount. Due to the Audit Committee's time commitment and responsibilities, Audit Committee members may receive reasonable fees and compensation that are greater than those paid to other directors.

Director Orientation and Continuing Education

All new directors must participate in a comprehensive orientation to acquaint them with United Bancorp's strategy, long-range plans, financial statements, properties and operations, corporate governance guidelines, and the code of ethics. The orientation program will introduce new directors to United Bancorp's principal executives, its director of audit, and its independent auditor. All other directors are invited to attend the orientation program.

From time to time, directors will receive information and updates on legal and regulatory changes that affect United Bancorp, the directors and the employees.

Crisis Management

The board of directors shall be proactive in the context of any governance, compliance or business crisis affecting United Bancorp. The board of directors will work with management and any outside advisors in order to assess a crisis situation and choose a proper course of action. The board of directors will use its best efforts to maintain and preserve the value, integrity and control of United Bancorp.

Amendment, Waiver and Modification

These Guidelines may be amended, modified or waived by the Board of Directors, subject to the disclosure and other provisions of laws, rules and regulations applicable to United Bancorp.

I have read and understand the code of conduct that is set forth in these corporate governance guidelines. I also understand that I will be asked to read, review, and sign the corporate governance guidelines on an annual basis.

Director's signature _____

Date _____