



Audit Committee Charter

Charter Name: Audit Committee Charter	Last Revised: 8/2024	Board Approval: 10/21/2025
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Bonvenu Bancorp and Bonvenu Bank Audit Committee Charter

The Audit Committee Charter was last amended on August 15, 2024. The Audit Committee shall review and reassess this charter annually and recommend any proposed changes to the Board of Directors for approval.

Purpose

The Audit Committee is appointed by the Board of Directors of Bonvenu Bancorp to assist in monitoring:

- The integrity of the financial statements of the Bank.
- The independent public accountants' (IPA) qualifications and independence.
- The performance of the Bank's internal audit function and IPA.
- Compliance by the Bank with legal and regulatory requirements.

The function of the Audit Committee is oversight. Management of the Company is responsible for the preparation and integrity of the Bank's financial statements. Management is also responsible for maintaining appropriate accounting and financial reporting principles and policies as well as internal controls and procedures designed to ensure compliance with accounting standards and applicable laws and regulations. The IPA are responsible for planning and performing proper audits, including an audit of the Bank's annual consolidated financial statements and other procedures.

Mandate

Mandate for establishment of the Audit Committee is derived from Title 12, Chapter III, Subchapter B, Part 363 of the Code of Federal Regulations.

Authority

The Audit Committee Charter sets out the authority of the Bank's Audit Committee to carry out its responsibilities as established by the Board of Directors and articulated within the Audit Committee Charter.

In the course of discharging its responsibilities, the Bank's Audit Committee and Chief Audit Executive (CAE) will have unrestricted access to members of management, employees, files, records, data, reports, information systems, and any relevant information it deems necessary to fulfill its responsibilities. The Bank's management and staff are expected to cooperate with requests from the committee and CAE.

The Bank's Audit Committee is expressly authorized to engage its own independent counsel and/or other advisors it deems necessary to carry out its duties.

The Bank's Audit Committee is empowered to:

Financial Statements and Disclosure Matters

- Review and discuss with management and the IPA the annual audited financial statements and related footnotes.
- Review and discuss the IPA's audit of the financial statements and their report thereon.
- Discuss with management and the IPA significant financial reporting issues and judgments made in connection with the preparation of the Bank's financial statements, including any significant changes in the Bank's selection or application of accounting principles.
- Review and discuss with management and the independent auditors any major issues as to the adequacy of the Bank's internal controls, any special steps adopted considering material control deficiencies and the adequacy of disclosures about changes in internal control over financial reporting.
- Review and discuss with management, the CAE and the IPA the Bank's internal controls report and the IPA's attestation of the report prior to filing the Bank's annual report with regulatory bodies.
- Review and discuss with the IPA that performs an audit of the Bank:
 - All critical accounting policies and practices to be used.
 - All alternative treatments of financial information within generally accepted accounting principles that have been discussed with management, ramifications of the use of such alternative disclosures and treatments, and treatment preferred by the IPA.
 - Other material written communications between the IPA and management, such as any management letter or schedule of unadjusted differences.
- Discuss with management and the IPA the effect of regulatory and accounting initiatives as well as off-balance sheet structures on the Bank's financial statements.
- Inquire of management, the CAE and the IPA about significant risks or exposure and the steps management has taken to monitor and control such exposure.
- Discuss with the IPA the matters required to be discussed by Statement on Auditing Standards No. 61 ("SAS 61") relating to the conduct of the audit, including any difficulties encountered during the audit work, any restrictions on the scope of activities or access to requested information, and any significant disagreements with management.

Oversight of Relationship with the Independent Auditors

- Select, appoint retain and, if necessary, replace the IPA.
- Review and evaluate the lead partner of the IPA.
- Meet with the IPA prior to the audit to discuss the planning and staffing of the audit.
- Discuss any significant changes required in the IPA's audit plan.

- Pre-approve all auditing services, internal control-related services and permitted non-audit services to be performed for the Bank by the IPA.
- Actively engage in a dialogue with the IPA with respect to any disclosed relationships or services that may impact the objectivity and independence of the auditor.

Oversight of Internal Audit Function

The Internal Audit Department is directed by and reports functionally to the Audit Committee of the Board of Directors and administratively to the Executive Vice President, Chief Risk Officer. The Audit Committee's functional oversight of the Internal Audit Department includes the following:

- Review and approve the Internal Audit Charter and policy annually.
- Ensure that there are no unjustified restrictions or limitations placed on the Internal Audit Department.
- Review and concur in the appointment, replacement, reassignment, and dismissal of the CAE.
- Periodically assess the performance of the CAE and the Internal Audit Department including providing feedback to Executive Management regarding the compensation of the CAE.
- Review and Approve:
 - The annual audit plan and any major changes to the plan.
 - The Internal Audit Department's staffing and organizational structure.
 - The performance of any consulting work requested of the Internal Audit Department by management or the Board of Directors which may impede the performance of the annual audit plan.
 - The outsourcing or co-sourcing of internal audit services, including approval of the provider of such services.
- Review with management and the CAE significant findings on internal audits during the year and management's response thereof, any difficulties the internal audit team encountered during their audits, including any restrictions on the scope of their internal audit.
- Review results of any quality assurance reviews.
- Review Internal Audit's compliance with the Institute of Internal Auditor's Standards for the Professional Practice of Internal Auditing.
- On a regular basis, meet separately in executive session with the CAE to discuss any matters that the Audit Committee or CAE believes should be discussed privately.

Audit Committee Composition

The Bank's Audit Committee will consist of five to seven members, all of whom are outside directors with all members being independent of management. The Chairman of the Audit Committee will serve in a non-voting capacity except in the event of a tie vote, in which case the Chairman will cast the tie-breaking vote. The Chairman of the Board of Directors will serve as an "ex-officio" member of the committee. The Executive Vice President, Chief Risk Officer will serve as the staff liaison to the committee.

Collectively the Audit Committee will consist of members who possess sufficient knowledge of audit, finance, banking operations and regulations, risk, and control.

The Chairman of the Audit Committee and the committee's members will be appointed annually by the Board.

Quorum

The quorum for the committee will be a majority of voting members.

Meetings

Regular committee meetings will be held at least quarterly on a schedule approved by a quorum of the committee. Additional and/or special meetings will be held as needed, including meetings with the IPA regarding engagement, preparation and audit of the Bank's consolidated financial statements and internal controls over financial reporting.

Meeting agendas will be prepared by the CAE. Standard agenda items to be reviewed at each meeting will include minutes, internal and outsourced audit reports, including management's responses, status of the annual audit plan and status of outstanding regulatory and internal audit findings.

Annually and, as changes warrant, the agenda will include presentation and approval of charters internal audit policies, audit plan, schedules, and risk assessments.

Minutes will be prepared and retained by the CAE. Draft minutes will be submitted to the Audit Committee Chairman for approval. Once approved by the chairman, minutes will be sent to the full committee via secured e-mail for approval. A quorum of committee members is sufficient for approval of minutes. This quorum will include and be evidenced by the chairman's approval and sufficient number of votes to comprise a majority.