

TOMPKINS FINANCIAL CORPORATION.

Compensation Committee Charter

Membership:

At least three (3) directors as appointed by the Tompkins Financial Corporation (“TMP”) Board (“the Board”). Each shall be “independent” as designated by the Board in accordance with NYSE MKT, LLC listing standards and pertinent law. Each also shall be a “non-employee director” and “outside director” for purposes of satisfying requirements of Rule 16b-3 of the Securities and Exchange Act of 1934 and Section 162(m) of the Internal Revenue Code, respectively.

Duties and Responsibilities:

The Committee shall have the following duties and responsibilities:

1. General oversight of all personnel policies and the administration thereof for TMP and its subsidiaries.
2. Assesses the performance and reviews and recommends to the independent directors of the Board for approval the compensation of TMP’s chief executive officer, except that the Committee shall have sole authority to make awards under the Company’s Equity Plan, as amended. It also reviews and either determines or recommends to the Board for approval, the compensation of all senior officers of TMP and its subsidiaries, except that the Committee shall have sole authority to make awards under the Company’s Equity Plan, as amended. “Compensation” shall include salary, bonus and incentive awards (if deemed appropriate) and any other form or amount of remuneration.
3. Reviews, approves or recommends to the Board for approval the terms of non-qualified plans relating to deferred compensation to be paid to employees or directors and any amendments thereto, but not the amount and allocation of director compensation, which falls within the purview of the Nominating and Corporate Governance Committee.
4. Administers non-qualified deferred compensation arrangement for those eligible executive officers that have elected to participate therein.
5. Reviews long-term incentive compensation plans, including the use of stock options and other equity-based plans, and makes recommendations to the Board for amendments thereto, including amendments to be included in the annual proxy statement for approval by the shareholders.
6. Grants equity awards and administers TMP’s 2009 Equity Plan, including, as applicable, the establishment of performance goals for any particular award. It is the “Committee” as designated in the plan document.

7. Reviews and approves or recommends to the Board for approval changes, or implementation of employment contracts, including Supplemental Executive Retirement Agreements.
8. Performs non-fiduciary functions (e.g., employee eligibility parameters, vesting, and employer contribution rate) with respect to TMP's benefit plans (including profit-sharing, ISOP, ESOP, Pension Plans, or other defined contribution plans (collectively, the "Plans")) and approves or recommends to the Board for approval any modifications thereto. All investment decisions with respect to the Plans, including investment allocation or investment choices offered to Plan participants (as applicable), have been delegated to the Company's Qualified Plans Investment Review Committee.
9. Reviews trends in management compensation and, when necessary, approves the revision of existing plans or oversees the development of new compensation plans.
10. Reviews the competitiveness of TMP's executive compensation programs to ensure (a) the attraction and retention of high caliber executive officers, (b) the motivation of executive officers to achieve TMP's business objectives, and (c) the alignment of the interest of key leadership with the long-term interests of TMP's shareholders.
11. Oversees compliance by TMP and subsidiaries with all personnel-related law and regulations, including approval of appropriate policies and administration thereof.
12. Prepares any necessary reports on executive compensation for inclusion in TMP's proxy statement in accordance with applicable SEC rules and regulations and NYSE MKT guidelines or requirements.
13. Monitors compensation policies and practices to ensure that risk management objectives are being met in providing incentives for its employees.
14. Consider Results of Say on Pay Vote.
15. Performs any other duties expressly delegated to it by the Board.

The Committee shall have the authority to retain, at the Company's expense, such outside counsel, compensation consultants, experts, and other advisors (collectively, the "Advisors") as it determines appropriate to assist it in the full performance of its functions. Such Advisors shall report directly to the Committee. Effective July 1, 2013, prior to engaging an Advisor, the Committee shall assess the independence of such Advisor after taking into account the six independence factors set forth in Exchange Act Rule 10C-1(b)(4).¹

¹ Exchange Act Rule 10C-1(b)(4) provides that the compensation committee of a listed issuer may select a compensation consultant, legal counsel or other adviser to the compensation committee only after taking into consideration the following factors, as well as any other factors identified by the relevant national securities exchange or national securities association in its listing standards:

(i) The provision of other services to the issuer by the person that employs the compensation consultant, legal counsel or other adviser;

As permitted by law, the Committee may delegate all or a portion of its duties and responsibilities to a subcommittee of the Committee.

The Committee will evaluate, at least annually, its performance and this charter.

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- (ii) The amount of fees received from the issuer by the person that employs the compensation consultant, legal counsel or other adviser, as a percentage of the total revenue of the person that employs the compensation consultant, legal counsel or other adviser;
 - (iii) The policies and procedures of the person that employs the compensation consultant, legal counsel or other adviser that are designed to prevent conflicts of interest;
 - (iv) Any business or personal relationship of the compensation consultant, legal counsel or other adviser with a member of the compensation committee;
 - (v) Any stock of the issuer owned by the compensation consultant, legal counsel or other adviser; and
 - (vi) Any business or personal relationship of the compensation consultant, legal counsel, other adviser or the person employing the adviser with an executive officer of the issuer.