

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549

POST-EFFECTIVE AMENDMENT NO. 1

on

FORM S-8

to

REGISTRATION STATEMENT ON FORM S-4  
UNDER THE SECURITIES ACT OF 1933

**UNITED COMMUNITY BANKS, INC.**

(Exact name of registrant as specified in its charter)

**Georgia**

(State or other jurisdiction of incorporation or organization)

**58-1807304**

(IRS Employer Identification No.)

**125 Highway 515 East  
Blairsville, Georgia 30512**

(Address of principal executive offices) (Zip Code)

**Progress Financial Corporation 2008 Incentive Stock Compensation Plan  
Progress Financial Corporation 2016 Equity Incentive Plan**

(Full title of the plans)

**Melinda Davis Lux  
General Counsel and Corporate Secretary  
United Community Banks, Inc.  
2 West Washington Street, Suite 700  
Greenville, SC 29601**

(Name and address of agent for service)

**(864) 241-8736**

(Telephone number, including area code, of agent for service)

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer  
Non-accelerated filer

Accelerated filer  
Smaller reporting company  
Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 7(a)(2)(B) of the Securities Act.

## EXPLANATORY NOTE

United Community Banks, Inc., a Georgia corporation (the “**Registrant**”) hereby files this Post-Effective Amendment No. 1 on Form S-8 (this “**Registration Statement**” or this “**Post-Effective Amendment**”) to amend:

- its Registration Statement on Form S-4 (File No. 333-265839) filed with the Securities and Exchange Commission (the “**Commission**”) on June 24, 2022, as amended by Pre-Effective Amendment No. 1 filed with the Commission on July 1, 2022 (the “**Form S-4**”), which the Commission declared effective on July 1, 2022, and
- its Registration Statement on Form S-4MEF (File No. 333-269144) filed with the Commission on January 6, 2023 (the “**Form S-4MEF**”).

The Registrant filed the Form S-4 and the Form S-4MEF in connection with the merger (the “**Merger**”) contemplated by the Agreement and Plan of Merger, dated as of May 3, 2022 (the “**Merger Agreement**”), by and between Progress Financial Corporation, an Alabama corporation (“**Progress**”) and Registrant. Pursuant to the terms of the Merger Agreement, Progress merged with and into the Registrant, with the Registrant continuing as the surviving corporation effective on January 1, 2023 (the “**Effective Time**”).

Pursuant to the Merger Agreement, as of the Effective Time, each Progress outstanding stock option other than any stock option cancelled in exchange for cash (a “**Progress Stock Option**”), was assumed by the Registrant. Each assumed stock option may be exercised solely for shares of the Registrant’s common stock, and (i) the number of shares of common stock subject to such assumed stock option will be equal to (A) the number of shares of Progress common stock subject to such stock option immediately prior to the Effective Time multiplied by (B) 0.770 (rounded down to the nearest whole share), and (ii) the per share exercise price under each such stock option will be adjusted to equal the quotient of (x) the exercise price per share of such stock option immediately prior to the Effective Time divided by (y) 0.770 (rounded up to the nearest whole cent).

The 643,298 shares of common stock covered by this Post-Effective Amendment were originally registered under the Form S-4 and Form S-4MEF but will now be subject to issuance pursuant to this Post-Effective Amendment. All filing fees payable in connection with the issuance of these shares were previously paid in connection with the filing of the Form S-4 and the Form S-4MEF.

### PART I

The document(s) containing the information specified in Part I of Form S-8 will be sent or given to each participant with a Progress Stock Option as specified by Rule 428(b)(1) of the Securities Act of 1933, as amended (the “**Securities Act**”). Such documents need not be filed with the Commission either as part of this Registration Statement or as prospectuses or prospectus supplements pursuant to Rule 424 of the Securities Act. These documents and the documents incorporated by reference in this Registration Statement pursuant to Item 3 of Part II hereof, taken together, constitute a prospectus that meets the requirements of Section 10(a) of the Securities Act.

### PART II

#### ITEM 3. INCORPORATION OF DOCUMENTS BY REFERENCE.

The following documents filed with the Commission by the Registrant are hereby incorporated into this Registration Statement by reference:

1. The Registrant’s [Annual Report on Form 10-K for the year ended December 31, 2021 filed with the Commission on February 25, 2022](#);
  2. The Registrant’s [Quarterly Report on Form 10-Q for the period ended March 31, 2022 filed with the Commission on May 5, 2022](#);
  3. The Registrant’s [Quarterly Report on Form 10-Q for the period ended June 30, 2022 filed with the Commission on August 5, 2022](#);
  4. The Registrant’s [Quarterly Report on Form 10-Q for the period ended September, 2022 filed with the Commission on November 4, 2022](#);
-

5. The Registrant's Current Reports on Form 8-K filed with the Commission on [January 3, 2022](#), [January 19, 2022](#), [April 19, 2022](#), [May 4, 2022](#), [May 19, 2022](#), [July 19, 2022](#), [August 18, 2022](#), [October 18, 2022](#), and [January 4, 2023](#) (in each case, other than the portions of (including exhibits to those documents deemed "furnished" rather than "filed"); and
6. The description of the Registrant's common stock contained in [Exhibit 4.1 attached to Registrant's Annual Report on Form 10-K filed with the Commission on February 25, 2022](#), and any amendment or report filed for the purpose of updating such description.

All documents filed by the Registrant pursuant to Section 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act of 1934, as amended (the "*Exchange Act*") subsequent to the date of this Registration Statement (other than any such documents or portions thereof that are furnished and not deemed filed with the Commission), prior to the filing of a post-effective amendment which indicates that all securities offered have been sold or which deregisters all securities then remaining unsold, shall be deemed to be incorporated by reference in this Registration Statement and to be a part hereof from the date of filing of such documents.

Any statement contained in this Registration Statement or in a document incorporated or deemed to be incorporated by reference herein shall be deemed to be modified or superseded for purposes of this Registration Statement to the extent that a statement contained or incorporated by reference herein or in any subsequently filed document which is deemed to be incorporated by reference herein modifies or supersedes such statement. Any such statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Registration Statement.

#### **ITEM 4. DESCRIPTION OF SECURITIES.**

Not applicable.

#### **ITEM 5. INTERESTS OF NAMED EXPERTS AND COUNSEL.**

Not applicable.

#### **ITEM 6. INDEMNIFICATION OF DIRECTORS AND OFFICERS.**

The Registrant's articles of incorporation, as amended, provide that no director of the Registrant shall be personally liable to Registrant or its shareholders for breach of his or her duty of care or other duty as a director, but only to the extent permitted from time to time by the Georgia Business Corporation Code.

The Registrant's bylaws require it to indemnify its directors, officers, employees, and agents against judgments, fines, penalties, amounts paid in settlement, and expenses, including attorneys' fees, resulting from various types of legal actions or proceedings instituted by third parties if the actions of the director, officer, employee, or agent being indemnified meet the standards of conduct specified therein.

In addition, the Registrant's bylaws require it to indemnify its directors, officers, employees, and agents for expenses actually and reasonably incurred in connection with legal actions or proceedings instituted by or in the right of the Registrant to procure a judgment in its favor, if the actions of the director, officer, employee, or agent being indemnified meet the standards of conduct set forth therein. However, the Registrant will not indemnify a director, officer, employee, or agent for such expenses if such person is adjudged liable to the Registrant, unless so ordered by the court in which the legal action or proceeding is brought.

A determination concerning whether or not the applicable standard of conduct has been met by a director, officer, employee, or agent seeking indemnification must be made by (1) a disinterested majority of the board of directors, (2) the Registrant's legal counsel, if a quorum of disinterested directors is not obtainable or if the disinterested directors so order, or (3) an affirmative vote of a majority of shares held by the shareholders. No indemnification may be made to or on behalf of a director, officer, employee, or agent in connection with any other proceeding in which such person was adjudged liable on the basis that personal benefit was improperly received by him or her.

---

As provided under Georgia law, the liability of a director may not be eliminated or limited (1) for any appropriation, in violation of his duties, of any business opportunity of the Registrant, (2) for acts or omissions which involve intentional misconduct or a knowing violation of law, (3) for unlawful corporate distributions, or (4) for any transaction from which the director received an improper benefit.

Insofar as indemnification for liabilities arising under the Securities Act of 1933 may be permitted to the Registrant's directors, officers and controlling persons pursuant to the foregoing provisions, or otherwise, the Registrant has been advised that in the opinion of the SEC, such indemnification is against public policy as expressed in the Securities Act of 1933 and is, therefore, unenforceable.

The Registrant's directors and officers are insured against losses arising from any claim against them as such for wrongful acts or omission, subject to certain limitations.

The foregoing is only a general summary of certain aspects of Georgia law and the Registrant's articles of incorporation, as amended and bylaws dealing with indemnification of directors and officers, and does not purport to be complete. It is qualified in its entirety by reference to the detailed provisions of those laws of Georgia referenced above and the Registrant's articles of incorporation, as amended and bylaws.

#### **ITEM 7. EXEMPTION FROM REGISTRATION CLAIMED.**

Not applicable.

#### **ITEM 8. EXHIBITS.**

The list of exhibits is set forth under "Exhibit Index" immediately preceding the signature pages hereto and is incorporated by reference herein.

#### **ITEM 9. UNDERTAKINGS.**

1. The undersigned registrant hereby undertakes:

(a) To file, during any period in which offers or sales are being made, a post-effective amendment to this Registration Statement:

(i) To include any prospectus required by Section 10(a)(3) of the Securities Act;

(ii) To reflect in the prospectus any facts or events arising after the effective date of the Registration Statement (or the most recent post-effective amendment thereof) which, individually or in the aggregate, represent a fundamental change in the information set forth in the Registration Statement. Notwithstanding the foregoing, any increase or decrease in volume of securities offered (if the total dollar value of securities offered would not exceed that which was registered) and any deviation from the low or high end of the estimated maximum offering range may be reflected in the form of prospectus filed with the SEC pursuant to Rule 424(b) if, in the aggregate, the changes in volume and price represent no more than a 20% change in the maximum aggregate offering price set forth in the "Calculation of Registration Fee" table in this Registration Statement; and

(iii) To include any material information with respect to the plan of distribution not previously disclosed in the Registration Statement or any material change to such information in the Registration Statement;

*provided, however*, that paragraphs (1)(a)(i) and (1)(a)(ii) above do not apply if the information required to be included in a post-effective amendment by those paragraphs is contained in reports filed with or furnished to the Commission by the registrant pursuant to section 13 or section 15(d) of the Exchange Act that are incorporated by reference in this Registration Statement.

(b) That, for the purpose of determining any liability under the Securities Act, each such post-effective amendment shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial *bona fide* offering thereof.

---

(c) To remove from registration by means of a post-effective amendment any of the securities being registered which remain unsold at the termination of the offering.

2. The undersigned registrant hereby undertakes that, for purposes of determining any liability under the Securities Act, each filing of the registrant's annual report pursuant to Section 13(a) or Section 15(d) of the Exchange Act (and, where applicable, each filing of an employee benefit plan's annual report pursuant to Section 15(d) of the Exchange Act) that is incorporated by reference in the Registration Statement shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial *bona fide* offering thereof.

3. Insofar as indemnification for liabilities arising under the Securities Act may be permitted to directors, officers and controlling persons of the registrant pursuant to the foregoing provisions, or otherwise, the registrant has been advised that in the opinion of the Commission such indemnification is against public policy as expressed in the Securities Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the registrant of expenses incurred or paid by a director, officer or controlling person of the registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Securities Act and will be governed by the final adjudication of such issue.

---

## EXHIBIT INDEX

<b>Exhibit Number</b>	<b>Description</b>
<a href="#">5.1</a>	<a href="#">Opinion of Nelson Mullins Riley &amp; Scarborough, LLP regarding the validity of the securities to be issued. *</a>
<a href="#">10.1</a>	<a href="#">Progress Financial Corporation 2008 Incentive Stock Compensation Plan. *</a>
<a href="#">10.2</a>	<a href="#">Progress Financial Corporation 2016 Equity Incentive Plan. *</a>
<a href="#">23.1</a>	<a href="#">Consent of PricewaterhouseCoopers LLP. *</a>
<a href="#">23.2</a>	<a href="#">Consent of Nelson Mullins Riley &amp; Scarborough, LLP (included in Exhibit 5.1).</a>
<a href="#">24.1</a>	<a href="#">Power of Attorney for United Community Banks, Inc. directors (contained on the signature pages of the Form S-4 Registration Statement).</a>

\* Filed herewith.

---

**SIGNATURES**

The Registrant. Pursuant to the requirements of the Securities Act of 1933, the Registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-8 and has duly caused this Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Greenville, South Carolina, on January 6, 2023.

**UNITED COMMUNITY BANKS, INC.**  
(Registrant)

By: /s/ Melinda Davis Lux  
Name: Melinda Davis Lux  
Title: Executive Vice President, General Counsel and Corporate Secretary

Pursuant to the requirements of the Securities Act of 1933, as amended, this Registration Statement has been signed by the following persons in the capacities and on January 6, 2023.

By /s/ H. Lynn Harton  
H. Lynn Harton  
Chairman, President, and Chief Executive Officer (Principal Executive Officer)

By Jefferson L. Harralson  
Jefferson L. Harralson  
Executive Vice President and Chief Financial Officer (Principal Financial Officer)

By Alan H. Kumler  
Alan H. Kumler  
Executive Vice President and Chief Accounting Officer (Principal Accounting Officer)

By \*  
Thomas A. Richlovsky  
Lead Independent Director

By \*  
Jennifer M. Bazante  
Director

By \*  
Robert Blalock  
Director

By \*  
James P. Clements  
Director

---

By \*  
\_\_\_\_\_  
Kenneth L. Daniels  
Director

By \*  
\_\_\_\_\_  
Lance F. Drummond  
Director

By \*  
\_\_\_\_\_  
Jennifer Mann  
Director

By \*  
\_\_\_\_\_  
David C. Shaver  
Director

By \*  
\_\_\_\_\_  
Tim Wallis  
Director

By \*  
\_\_\_\_\_  
David H. Wilkins  
Director

\*By /s/ H. Lynn Harton  
\_\_\_\_\_  
H. Lynn Harton  
Attorney-in-Fact

---



NELSON MULLINS RILEY & SCARBOROUGH LLP  
ATTORNEYS AND COUNSELORS AT LAW

104 South Main Street | Ninth Floor  
Greenville, SC 29601  
T 864.250.2300 F 864.232.2925  
nelsonmullins.com

January 6, 2023

United Community Banks, Inc.  
2 West Washington Street, Suite 700  
Greenville, South Carolina 29601

Re: Post-Effective Amendment No. 1 on Form S-8 to the Registration Statement on Form S-4

Ladies and Gentlemen:

We have acted as counsel to United Community Banks, Inc., a Georgia corporation (the "**Corporation**"), in connection with the preparation and filing by the Corporation of Post-Effective Amendment No. 1 on Form S-8 to the Registration Statement on Form S-4 (File No. 333-265839) and the Registration Statement on Form S-4MEF (File No. 333-269144) (the "**Registration Statement**") pursuant to the Securities Act of 1933, as amended (the "**Securities Act**"), in connection with the offering by the Corporation of up to 643,298 shares of the Corporation's common stock, par value \$1.00 per share (the "**Shares**"), subject to issuance by the Corporation upon the exercise or conversion of equity awards granted under, or otherwise issued in accordance with and pursuant to the terms of, the following plans of Progress Financial Corporation, an Alabama corporation ("**Progress**"): Progress Financial Corporation 2008 Incentive Stock Compensation Plan and Progress Financial Corporation 2016 Equity Incentive Plan, each as amended to date and each predecessor plan of any of the foregoing (each a "**Progress Plan**" and, collectively, the "**Progress Plans**"), assumed by the Corporation as of January 1, 2023 pursuant to provisions in the Agreement and Plan of Merger, dated as of May 3, 2022, by and between Progress and the Corporation.

This opinion letter is furnished pursuant to the requirement of Item 601(b)(5) of Regulation S-K under the Securities Act, and no opinion is expressed herein as to any matter pertaining to the contents of the Registration Statement, other than as expressly stated herein with respect to the issuance of the Shares.

We have examined the Progress Plans and originals, or photostatic or certified copies of such records of the Corporation and certificates of public officials and officers of the Corporation, and such other documents and records as we have deemed relevant and necessary for purposes of the opinions set forth below. In our examination, we have assumed the completeness and authenticity of any document submitted to us as an original, the completeness and conformity to the originals of any document submitted to us as a copy, the authenticity of the originals of such copies, the genuineness of all signatures, and the legal capacity and mental competence of natural persons.

For purposes of this opinion letter, we have relied without any independent verification upon factual information supplied to us by the Corporation, on factual information included in the Corporation's filings with the Securities and Exchange Commission (the "**Commission**"). We have assumed without investigation that there has been no relevant change or development between the dates as of which the information cited in the preceding sentences was given or filed and the date of this opinion letter and that the information upon which we have relied is accurate and does not omit disclosure necessary to prevent such information from being misleading. We further have assumed that there are no agreements or understandings between or among the Corporation or Progress and any participants in any of the Progress Plans that would expand, modify or otherwise affect the terms of any Progress Plan or the respective rights or obligations of the participants thereunder.

CALIFORNIA | COLORADO | DISTRICT OF COLUMBIA | FLORIDA | GEORGIA | MASSACHUSETTS | NEW YORK  
NORTH CAROLINA | SOUTH CAROLINA | TENNESSEE | WEST VIRGINIA

---

Based on the foregoing, and subject to the assumptions stated and in reliance on statements of fact contained in the documents that we have examined, we are of the opinion that the Shares, when issued and sold in accordance with the terms and conditions of the Progress Plans, and against consideration therefor, will be validly issued, fully paid, and nonassessable.

We hereby consent to the filing of this opinion letter with the Commission as Exhibit 5.1 to the Registration Statement. This consent shall not be deemed to be an admission that this firm is within the category of persons whose consent is required under Section 7 of the Securities Act or the regulations promulgated pursuant to the Securities Act.

This opinion expressed above is subject to the qualification that we express no opinion as to the applicability of, compliance with, or effect of any laws other than the Georgia Business Corporation Code (including the statutory provisions, all applicable provisions of the Constitution of Georgia and reported judicial decisions interpreting those laws). This opinion letter is limited to the effect of the current state of the Georgia Business Corporation Code (including the statutory provisions, all applicable provisions of the Constitution of Georgia and reported judicial decisions interpreting those laws), and to the facts as they currently exist. We assume no obligation to revise or supplement this opinion letter in the event of future changes in such laws or the interpretations thereof or such facts. This opinion letter is limited to the specific issues addressed herein, and no opinion may be inferred or implied beyond that expressly stated herein. This opinion letter is furnished to you in connection with the filing of the Registration Statement and is not to be used, circulated, quoted or otherwise relied upon for any other purpose.

Very Truly Yours,

/s/ Nelson Mullins Riley & Scarborough LLP

NELSON MULLINS RILEY & SCARBOROUGH LLP

---

**PROGRESS BANK & TRUST**

**2008 INCENTIVE STOCK COMPENSATION PLAN**

**February 19, 2008**

B-1

---

**PROGRESS BANK & TRUST  
2008 INCENTIVE STOCK COMPENSATION PLAN**

This 2008 Incentive Stock Compensation Plan is adopted of the 19<sup>th</sup> day of February, 2008, by Progress Bank & Trust, an Alabama state bank.

**ARTICLE I.  
PURPOSE, SCOPE AND ADMINISTRATION OF THE PLAN**

**Section 1.01. Purpose.** The purpose of the Plan is to promote the long-term success of the Company by providing financial incentives to eligible persons who are in positions to make significant contributions toward such success. The Plan is designed to attract individuals of outstanding ability to employment with the Company and to serve as members of the Company's Board of Directors, to encourage such persons to acquire a proprietary interest in the Company, and to render superior performance for the Company.

**Section 1.02. Definitions.** Unless the context clearly indicates otherwise, for purposes of the Plan the following terms have the respective meanings set forth below:

(a) "Board of Directors" means the Board of Directors of the Company.

(b) "Code" means the Internal Revenue Code of 1986, as amended.

(c) "Committee" means the Human Resources/Compensation Committee of the Board of Directors of the Company (or any successor committee thereto), which committee shall be composed of not less than two members of the Board of Directors, or in the absence of such Committee, the full Board of Directors.

(d) "Common Stock" means the common stock of the Company, par value \$1.00 per share, or such other class of shares or other securities to which the provisions of the Plan may be applicable by reason of the operation of Section 3.01.

(e) "Company" means Progress Bank & Trust, an Alabama state bank, and its majority owned subsidiaries including subsidiaries which become such after the date of adoption of the Plan.

(f) "Disability" means that the Grantee (1) has established to the satisfaction of the Committee that the Grantee is disabled as defined by any applicable policy of the Company or standard determined by the Committee, and (2) has satisfied any requirement imposed by the Committee in regard to evidence of such disability.

(g) "Fair Market Value" of a share of Common Stock on any particular date means the average between the bid and ask prices quoted on such date by the National Daily Quotation Service, or on the National Association of Securities Dealers Automated Quotation (the "NASDAQ") System, or a registered securities exchange, if listed thereon. In the event that both bid and ask prices are not so quoted, then the Fair Market Value shall be the bid price determined by the National Association of Securities Dealers, Inc. (the "NASD") local quotations committee as most recently published in a daily newspaper of general circulation in Madison County, Alabama. In the event that no such bid price is published, then Fair Market Value shall be the fair market value as determined by the Board of Directors. In order to satisfy the exemption from Code Section 409A as set forth in Proposed Treasury Regulation § 1.409A-1(b)(5), then, notwithstanding any provision in this Plan to the contrary, in the event the Fair Market Value of a share of Common Stock is not established by an established securities market, any such determinations of Fair Market Value with respect to a Non-Qualified Stock Option shall be based on a reasonable valuation method so as to ensure that the Option price per share of Common Stock is not less than 100% of the Fair Market Value on the Grant Date.

- (h) “Grant Date” means the date as of which such Option is granted by the Committee pursuant to the Plan.
- (i) “Grantee” means the person to whom an Option is granted by the Committee pursuant to the Plan.
- (j) “Incentive Stock Option” means an Option that qualifies as an incentive stock option as described in Section 422(b) of the Code.
- (k) “Non-Qualified Stock Option” or “NQSO” means any Option granted under this Plan, other than an Incentive Stock Option.
- (l) “Option” means an option granted by the Committee pursuant to Article II of the Plan to purchase shares of Common Stock, which shall be designated at the time of grant as either an Incentive Stock Option or a Non-Qualified Stock Option, as provided in Section 2.01.
- (m) “Option Agreement” means the agreement between the Company and a Grantee under which the Grantee is granted an Option pursuant to the Plan.
- (n) “Option Period” means the period fixed by the Committee during which an Option may be exercised, provided that no Option shall, under any circumstances, be exercisable more than ten years after the Grant Date.
- (o) “Plan” means the Progress Bank & Trust 2008 Incentive Stock Compensation Plan as set forth herein and as amended from time to time.
- (p) “Retirement” means the Grantee’s termination of employment in a manner which qualifies the Grantee to receive immediately payable retirement benefits under any retirement plan hereafter adopted by the Company, or which in the absence of any such retirement plan, is determined by the Committee to constitute retirement.

**Section 1.03. Shares Available Under the Plan.**

- (a) The number of shares of Common Stock with respect to which Options may be granted shall be eighteen percent (18%) of the total number of shares sold in the initial offering shares of Common Stock, subject to adjustment in accordance with the remaining provisions of this Section and the provisions of Section 3.01.
- (b) In the event that any Option expires or otherwise terminates prior to being fully exercised, the Committee may, without decreasing the number of shares authorized in this Section 1.03, grant new Options hereunder to any eligible Grantee for the shares with respect to such terminated Options.

(c) Any shares of Common Stock to be delivered by the Company upon the exercise of Options may, at the discretion of the Board of Directors, be issued from the Company's authorized but unissued shares of Common Stock or be transferred from any available treasury stock.

**Section 1.04. Administration of the Plan.**

(a) Except as provided in Section 1.04(c), the Plan shall be administered by the Committee which shall have the authority to:

(i) Determine those persons to whom, and the times at which, Options shall be granted and the number of shares of Common Stock to be subject to each such Option, taking into consideration (A) the nature of the services rendered by the particular person; (B) the person's potential contribution to the long term success of the Company; and (C) such other factors as the Committee in its discretion shall deem relevant;

(ii) Interpret and construe the provisions of the Plan and to establish rules and regulations relating to it;

(iii) Prescribe the terms and conditions of the Option Agreements for the grant of Options (which need not be identical) in accordance and consistent with the requirements of the Plan, including allowing adjustments to the duration of the Option Period related to such agreements; and

(iv) Make all other determinations necessary or advisable to administer the Plan in a proper and effective manner.

(b) All decisions and determinations of the Committee in the administration of the Plan and in response to questions or in connection with other matters concerning the Plan or any Option shall (whether or not so stated in the particular instance in the Plan) be final, conclusive, and binding on all persons, including, without limitation, the Company, the shareholders and directors of the Company, and any persons having any interest in any Options which may be granted under the Plan.

(c) In all cases in which the Committee is authorized or directed pursuant to the Plan to take action, such action may be taken by the Board of Directors as a whole. It is the intention of the Plan that the Committee may be appointed by the Board of Directors for convenience and efficiency of administration.

**Section 1.05. Eligibility for Awards.** The Committee shall designate, from time to time, the employees or directors of the Company who are to be granted Options. All directors and salaried employees of the Company are eligible to participate.

**Section 1.06. Effective Date of Plan.** Subject to the receipt of all required regulatory approvals, the Plan shall become effective upon its adoption by the Board of Directors, provided that any grant of Options under the Plan prior to approval of the Plan by the shareholders of the Company is subject to such shareholder approval within twelve months of adoption of the Plan by the Board of Directors.

**ARTICLE II.  
STOCK OPTIONS**

**Section 2.01. Grant of Options.**

(a) The Committee may, from time to time and subject to the provisions of the Plan, grant Options to employees or directors under appropriate Option Agreements to purchase shares of Common Stock.

(b) The Committee may designate any Option which satisfies the requirements of Section 2.03 of the Plan as an Incentive Stock Option and may designate any Option granted hereunder as a Non-Qualified Stock Option, or the Committee may designate a portion of an Option as an Incentive Stock Option (so long as that portion satisfies the requirements of Section 2.03) and the remaining portion as a Non-Qualified Stock Option. Any portion of an Option that is not designated as an Incentive Stock Option shall be a Non-Qualified Stock Option. A Non-Qualified Stock Option must satisfy the requirements of Section 2.02 of the Plan, but shall not be subject to the requirements of Section 2.03.

**Section 2.02. Option Requirements.**

(a) An Option shall be evidenced by an Option Agreement specifying the number of shares of Common Stock that may be purchased upon its exercise and containing such terms and conditions not inconsistent with the Plan and based on such factors as the Committee shall determine, in its sole discretion, to be applicable to that particular Option.

(b) An Option shall be exercisable at such time or times and subject to such terms and conditions as shall be determined by the Committee and stated in the Option Agreement; provided, however, that an Option shall become immediately exercisable upon the death of Grantee or upon employment with the Company ceasing because of Disability. If the Committee provides that any Option is exercisable only in installments or provides other vesting requirements, the Committee may waive such provisions at any time, in whole or in part, based on such factors as the Committee shall, in its sole discretion, determine. Unless otherwise explicitly set forth in the Option Agreement, any Option which is not exercisable as of the date of the Grantee's termination of employment with the Company shall terminate as of such date and be of no further force and effect.

(c) An Option shall expire by its terms at the expiration of the Option Period and shall not be exercisable thereafter.

(d) The Committee may specify in the Option Agreement the basis for the expiration or termination of the Option prior to the expiration of the Option Period.

(e) The Option price per share of Common Stock shall not be less than 100% of the Fair Market Value of a share of Common Stock on the Grant Date.

(f) An Option shall not be transferable other than by testamentary disposition or the laws of descent and distribution. During the Grantee's lifetime except for limited estate planning or pursuant to a domestic order as permitted by Rule 701 promulgated by the Securities and Exchange Commission under the Securities Act of 1933, as amended, or a successor provision, an Option shall be exercisable only by the Grantee, or in the event of the Grantee's Disability and the Option remains exercisable, by his or her duly appointed guardian or other legal representative.

(g) An Option, to the extent that it has not previously been exercised, shall terminate upon the earliest to occur of (i) the expiration of the applicable Option Period as set forth in the Option Agreement granting such Option; (ii) the expiration of three months after the Grantee's Retirement; (iii) the expiration of one year after the Grantee ceases to be an employee or director of the Company due to Disability; (iv) the expiration of one year after the Grantee ceases to be an employee or director of the Company due to the death of the Grantee; or (v) three months after the date on which a Grantee ceases to be an employee or director of the Company for any reason other than Retirement, Disability, or death, unless the Option Agreement provides for earlier termination.

(h) A person electing to exercise an Option shall give written notice of such election to the Company in such form as the Committee may require, accompanied by payment in cash or in such other manner as may be approved by the Committee in an amount equal to the full purchase price of the shares of Common Stock for which the election is made. As determined by the Committee, in its sole discretion, whether before or after the Grant Date, payment in full or in part may be made in the form of unrestricted Common Stock already owned by the Grantee or, except in the case of Incentive Stock Options, in the form of a withholding of sufficient shares of Common Stock otherwise issuable upon the exercise of the Option to constitute payment of the purchase price based, in each case, on the Fair Market Value of the Common Stock on the date the Option is exercised; provided that an election to make such payment in Common Stock or to have shares so withheld, in addition to being subject to the approval of the Committee, shall be irrevocable.

Further, upon written request and authorization of the Grantee and to the extent permitted by applicable law, the Committee may allow arrangements whereby an Option may be exercised and the exercise price (together with any tax withholding obligations of the Grantee) paid pursuant to arrangements with brokerage firms permitted under Regulation T of the Board of Governors of the Federal Reserve System (or successor regulations or statutes). In no event, however, may such transaction or arrangement occur if a violation by the Grantee of applicable state or federal securities laws would result therefrom.

(i) All NQSOs granted pursuant to this Plan shall satisfy the exemption from Code Section 409A set forth in Proposed Treasury Regulation § 1.409A-1(b)(5).

### **Section 2.03. Incentive Stock Option Requirements.**

(a) An Option designated by the Committee as an Incentive Stock Option is intended to qualify as an "incentive stock option" within the meaning of Section 422(b) of the Code and shall satisfy, in addition to the conditions of Section 2.02 of the Plan, the conditions set forth in this Section.

(b) An Incentive Stock Option shall not be granted to an individual who, on the Grant Date, owns stock possessing more than ten percent of the total combined voting power of all classes of stock of the Company, unless the Committee provides in the Option Agreement with any such individual that the option price per share of Common Stock will not be less than 110% of the Fair Market Value of a share of Common Stock on the Grant Date and that the Option Period will not extend beyond five years from the Grant Date.

(c) The aggregate Fair Market Value, determined on the Grant Date, of the shares of Common Stock as to which Incentive Stock Options are exercisable for the first time by any Grantee with respect to the Plan and incentive stock options (within the meaning of Section 422(b) of the Code) under any other plan of the Company or any parent or subsidiary thereof, in any calendar year shall not exceed \$100,000. To the extent that the aggregate Fair Market Value of Common Stock with respect to which Incentive Stock Options are exercisable for the first time by an individual during any calendar year under all incentive stock option plans of the Company exceeds \$100,000 (within the meaning of Section 422 of the Code), such excess Incentive Stock Options shall be treated as Options which do not constitute Incentive Stock Options. The Board of Directors shall determine, in accordance with applicable provisions of the Code, United States Treasury Department regulations, and other administrative pronouncements, which of an Optionee's Incentive Stock Options will not constitute Incentive Stock Options because of such limitation and shall notify the Optionee of such determination as soon as practicable after such determination.

**ARTICLE III.  
GENERAL PROVISIONS**

**Section 3.01. Adjustment Provisions.**

(a) In the event of (i) any dividend payable in shares of Common Stock; (ii) any recapitalization, reclassification, split-up, or consolidation of, or other change in, the Common Stock; or (iii) an exchange of the outstanding shares of Common Stock, in connection with a merger, consolidation, or other reorganization of or involving the Company or a sale by the Company of all or a portion of its assets, for a different number or class of shares of stock or other securities of the Company or for shares of the stock or other securities of any other corporation (whether issued to the Company or to its shareholders); the number of shares of Common Stock available under the Plan pursuant to Section 1.03 shall be adjusted to appropriately reflect the occurrence of the event specified in clauses (i), (ii) or (iii) above and the Committee shall, in such manner as it shall determine in its sole discretion, appropriately adjust the number and class of shares or other securities which shall be subject to Options and/or the purchase price per share which must be paid thereafter upon exercise of any Option. Any such adjustments made by the Committee shall be final, conclusive, and binding upon all persons, including, without limitation, the Company, the shareholders, and directors of the Company and any persons having any interest in any Options which may be granted under the Plan.

(b) Except as provided in paragraph (a) immediately above, issuance by the Company of shares of stock of any class or securities convertible into shares of stock of any class shall not affect the Options.

**Section 3.02. Additional Conditions.**

(a) Any shares of Common Stock issued or transferred under any provision of the Plan may be issued or transferred subject to such conditions, in addition to those specifically provided in the Plan, as the Committee or the Company may impose.

(b) If, prior to the time a Grantee has exercised all Options, the Committee or the Corporate Secretary of the Company receives from the Company notice of suspected dishonesty of the Grantee, or of suspected conduct by the Grantee which causes or reasonably may be expected to cause substantial damage to the Company or one or more of its subsidiaries, each Option, to the extent not previously exercised, shall terminate immediately and neither the Grantee nor any one claiming under him shall have any rights thereto.

**Section 3.03. No Rights as Shareholder or to Employment.** No Grantee or any other person authorized to purchase Common Stock upon exercise of an Option shall have any interest in or shareholder rights with respect to any shares of Common Stock which are subject to any Option until such shares have been issued and delivered to the Grantee or any such person pursuant to the exercise of such Option. Furthermore, the Plan shall not confer upon any Grantee any rights of employment with the Company, including without limitation, any right to continue in the employ of the Company, or affect the right of the Company to terminate the employment of a Grantee at any time, with or without cause.

**Section 3.04. General Restrictions.** Each award under the Plan shall be subject to the requirement that, if at any time the Committee shall determine that (i) the listing, registration or qualification of the shares of Common Stock subject or related thereto upon any securities exchange or under any state or federal law; (ii) the consent or approval of any government regulatory body; or (iii) an agreement by the recipient of an award with respect to the disposition of shares of Common Stock, is necessary or desirable as a condition of, or in connection with, the granting of such award or the issue or purchase of shares of Common Stock thereunder, such award may not be consummated in whole or in part unless such listing, registration, qualification, consent, approval, or agreement shall have been effected or obtained free of any conditions not acceptable to the Committee. A Grantee shall agree, as a condition of receiving any award under the Plan, to execute any documents, make any representations, agree to restrictions on stock transferability, and take any actions which in the opinion of legal counsel to the Company are required by any applicable law, ruling, or regulation. The Company is in no event obligated to register any such shares, to comply with any exemption from registration requirements, or to take any other action which may be required in order to permit, or to remedy or remove any prohibition or limitation on, the issuance or sale of such shares to any Grantee or other authorized person.

**Section 3.05. Rights Unaffected.**

(a) The existence of the Options shall not affect:

- (i) the right or power of the Company or its shareholders to make adjustments, recapitalizations, reorganizations, or other changes in the Company's capital structure or its business;
- (ii) any issue of bonds, debentures, preferred or prior preference stocks affecting the Common Stock or the rights thereof;
- (iii) the dissolution or liquidation of the Company, or sale or transfer of any part of its assets or business; or
- (iv) any other corporate act, whether of a similar character or otherwise.

(b) As a condition of grant, exercise, or lapse of restrictions on any Option the Company may, in its sole discretion, withhold or require the Grantee to pay or reimburse the Company for any taxes which the Company determines are required to be withheld (including, without limitation, any required FICA or AMT payments), in connection with the grant of or lapse of restrictions on the grant of or any exercise of an Option. Whenever payment or withholding of such taxes is required, the Grantee may satisfy the obligation, in whole or in part, by electing to deliver to the Company shares of Common Stock already owned by the Grantee or electing to have the Company withhold shares of Common Stock which would otherwise be delivered to the Grantee, in each case having a value equal to the amount required to be withheld, and provided that such shares may be surrendered only at the minimum statutory rate. For these purposes, the value of the shares to be withheld is the Fair Market Value on the date that the amount of tax to be withheld is to be determined (the "Tax Date").

(c) An election by a Grantee to deliver shares of Common Stock already owned by the Grantee or to have shares withheld for purposes of Section 2.02(h) of the Plan (an "Election") must meet the following requirements in order to be effective:

- (i) the Election must be made prior to the Tax Date;
- (ii) the Election is irrevocable; and
- (iii) the Election may be disapproved by the Committee in its sole discretion.

**Section 3.06. Choice of Law.** The validity, interpretation, and administration of the Plan, the Option Agreement, and of any rules, regulations, determinations, or decisions made thereunder, and the rights of any and all persons having or claiming to have any interest therein or thereunder, shall be determined exclusively in accordance with the laws of the State of Alabama. Without limiting the generality of the foregoing, the period within which any action in connection with the Plan must be commenced shall be governed by the laws of the State of Alabama, without regard to the place where the act or omission complained of took place, the residence of any party to such action or the place where the action may be brought or maintained.

**Section 3.07. Amendment, Suspension, and Termination of Plan.**

(a) The Plan may be terminated, suspended, or amended, from time to time, by the Board of Directors in such respects as it shall deem advisable; provided, however, that (i) any such amendment that would require shareholder approval in order to ensure compliance with Rule 16b-3, if applicable, under the Securities Exchange Act of 1934, or any successor rule thereto, or any other applicable rules or regulations, shall be subject to approval by the shareholders of the Company; and (ii) any amendment that would change the maximum aggregate number of shares for which Options may be granted under the Plan (except as required under any adjustments pursuant to Sections 1.03 and 3.01 of the Plan) shall be subject to approval of the shareholders of the Company.

(b) Notwithstanding any other provision herein contained, no Incentive Stock Options shall be granted on or after the tenth anniversary of the approval of the Plan by the Board of Directors and the Plan shall terminate and all Options previously granted shall terminate, in the event and on the date of liquidation or dissolution of the Company.

(c) Whether before or after termination of the Plan, the Board of Directors has full authority in accordance with Section 3.07(a) to amend the Plan, effective for Options which remain outstanding under the Plan.

**Section 3.08. Loans.** The Company may at any time, consistent with applicable regulations, including Regulation O and any Company policy restricting or prohibiting loans to executive officers, lend to a Grantee any funds required in connection with any aspect of the Plan, including without limitation the exercise price and any taxes that must be paid or withheld.

**Section 3.09. Regulatory Capital Requirements.** All Options granted under this Plan are subject to the requirement that, notwithstanding any other provision of the Plan or the Option Agreement, the Company's primary bank regulator shall at any time have the right to require the Grantee to exercise the Option or to forfeit the Option if not exercised if the Company's capital falls below minimum capital required as determined by the Company's primary bank regulator.

**Section 3.10. Disclosures.** A copy of this Plan shall be given to any Grantee. Any security issued pursuant to this Plan that is not registered under the Securities Act of 1933 or the Alabama Securities Act shall be deemed restricted within the meaning of Securities and Exchange Commission Rule 144, and certificates respecting such shares shall be marked with an appropriate legend indicating applicable restrictions on resale.

**Section 3.11. Savings Clause.** The Plan shall be administered, operated, and interpreted such that all stock Options granted hereunder are not considered deferred compensation subject to Section 409A of the Code and the Committee shall have discretion to modify or amend any Option granted hereunder and any Stock Option Agreement (and may do so retroactively); provided that any such modification or amendment is necessary to cause such stock option to be exempt from Section 409A of the Code and is not materially prejudicial to the Company and the affected Grantee.

**AMENDMENT ONE  
to the Progress Bank & Trust  
2008 Incentive Stock Compensation Plan**

**THIS AMENDMENT ONE** (this “Amendment”) is made as of April 17, 2012, by Progress Bank & Trust, an Alabama banking corporation (the “Bank”).

**WHEREAS**, the Bank maintains the Progress Bank & Trust 2008 Incentive Stock Compensation Plan (the “Plan”) as adopted on February 19, 2008; and

**WHEREAS**, the Plan currently provides that the number of shares of the Bank’s common stock with respect to which Options (as defined in the Plan) may be granted shall be 18% of the total number of shares sold in the Bank’s initial offering; and

**WHEREAS**, after giving effect to the November 18, 2008 stock split, Options to purchase a total of 822,232 shares of the Bank’s common stock are currently authorized for issuance under the Plan, and Options to purchase 797,624 shares under the Plan were outstanding as of March 31, 2012, leaving only 24,608 shares available for additional issuances; and

**WHEREAS**, in light of the Bank’s continued growth, the Board of Directors of the Bank (the “Board”) has determined that the number of shares remaining for issuance under the Plan is insufficient to provide adequately for the continued participation of the Bank’s personnel in future years; and

**WHEREAS**, the Board desires to amend the Plan to increase the number of shares available for issuance to 18% of the 6,593,015 shares of the Bank’s common stock outstanding as of March 31, 2012 (or 1,186,742 shares), representing an increase of 364,510 shares currently available for issuance under the Plan; and

**WHEREAS**, the shareholders of the Bank approved this Amendment on April 17, 2012.

**NOW, THEREFORE**, effective as of April 17, 2012, the Bank does hereby amend the Plan as follows:

1. By deleting Section 1.03(a) of the Plan and replacing it in its entirety with the following:

*(a) The number of shares of Common Stock with respect to which Options may be granted shall be eighteen percent (18%) of the total number of shares of the Company’s Common Stock outstanding as of March 31, 2012 (or 1,186,742 shares), subject to adjustment in accordance with the remaining provisions of this Section and the provisions of Section 3.01.*

All other provisions of the Plan shall remain in full force and effect as prior to the adoption of this Amendment.

**AMENDMENT TWO  
to the Progress Bank & Trust  
2008 Incentive Stock Compensation Plan**

**THIS AMENDMENT TWO** (this "Amendment") is made as of September 17, 2013, by Progress Bank & Trust, an Alabama banking corporation (the "Bank").

**WHEREAS**, Progress Financial Corporation (the "Company") and the Bank entered into an Agreement and Plan of Share Exchange, pursuant to which the Bank became a wholly-owned subsidiary of the Company effective as of July 11, 2013 (the "Transaction"); and

**WHEREAS**, the Bank maintains the Progress Bank & Trust 2008 Incentive Stock Compensation Plan (the "Plan"); and

**WHEREAS**, the Company and the Bank entered into an Agreement (the "Agreement"), effective as of September 17, 2013, pursuant to which the Company agreed that the Bank may obligate the Company to issue shares of the Company's common stock pursuant to the exercise of any options issued pursuant to the Plan; and

**WHEREAS**, it is the express intention of the Bank that the Plan only be amended to the extent necessary to substitute Company common stock for Bank common stock; and

**WHEREAS**, the Board of Directors of the Bank desires to amend the Plan to reflect the terms of the Agreement.

**NOW, THEREFORE**, the Bank does hereby amend the Plan as follows:

1. By inserting the following definitions in Section 1.02 and re-ordering the other definitions accordingly:

"Bank" means Progress Bank & Trust, an Alabama banking corporation, and its majority-owned subsidiaries, including subsidiaries which become such after the date of adoption of the Plan.

"Holding Company" means Progress Financial Corporation, an Alabama corporation, and the bank holding company for the Bank.

2. By deleting the existing definition of "Common Stock" set forth in Section 1.02(d) of the Plan and replacing it with the following:

"Common Stock" means the common stock of the Holding Company, par value \$1.00 per share, or such other class of shares or other securities to which the provisions of the Plan may be applicable by reason of the operation of Section 3.01.

3. By deleting the definition of "Company" in Section 1.02(e) and, in every instance in the Plan, as amended, where the term "Company" appears or is referenced, replacing such term with the term "Bank."

4. By deleting Section 1.03(c) of the Plan and replacing it with the following:
  - (c) Any shares of Common Stock to be delivered by the Holding Company upon the exercise of Options may, at the discretion of the Board of Directors of the Holding Company, be issued from the Holding Company's authorized but unissued shares of Common Stock or be transferred from any available treasury stock.
5. By deleting Section 1.04(b) of the Plan and replacing it with the following:
  - (b) All decisions and determinations of the Committee in the administration of the Plan and in response to questions or in connection with other matters concerning the Plan or any Option shall (whether or not so stated in the particular instance of the Plan) be final, conclusive, and binding on all persons, including, without limitation, the Holding Company, the Bank, the shareholders and directors of the Holding Company and the Bank, and any persons having any interest in any Options which may be granted under the Plan.
6. By deleting Section 3.01 of the Plan and replacing it with the following:

**Section 3.01 Adjustment Provisions.**

- (a) In the event of (i) any dividend payable in shares of Common Stock; (ii) any recapitalization, reclassification, split-up, or consolidation of, or other change in, the Common Stock; or (iii) an exchange of the outstanding shares of Common Stock, in connection with a merger, consolidation, or other reorganization of or involving the Holding Company or the Bank, or a sale by the Holding Company or the Bank of all or a portion of its assets, for a different number or class of shares of stock or other securities of the Holding Company or the Bank or for shares of the stock or other securities of any other corporation (whether issued to the Holding Company or the Bank or to their shareholders), the number of shares of Common Stock available under the Plan pursuant to Section 1.03 shall be adjusted to appropriately reflect the occurrence of the event specified in clauses (i), (ii) or (iii) above, and the Committee shall, in such manner as it shall determine in its sole discretion, appropriately adjust the number and class of shares or other securities which shall be subject to Options and/or the purchase price per share which must be paid thereafter upon exercise of any Option. Any such adjustments made by the Committee shall be final, conclusive, and binding upon all persons, including, without limitation, the Holding Company, the Bank, the shareholders and directors of the Holding Company and the Bank, and any persons having any interest in any Options which may be granted under the Plan.
  - (b) Except as provided in paragraph (a) immediately above, issuance by the Holding Company or the Bank of shares of stock of any class or securities convertible into shares of stock of any class shall not affect the Options.
7. By deleting Section 3.04 of the Plan and replacing it with the following:

**Section 3.04 General Restrictions.** Each award under the Plan shall be subject to the requirement that, if at any time the Committee shall determine that (i) the listing, registration or qualification of the shares of Common Stock subject or related thereto upon any securities exchange or under any state or federal law; (ii) the consent or approval of any government regulatory body; or (iii) an agreement by the recipient of an award with respect to the disposition of shares of Common Stock, is necessary or desirable as a condition of, or in connection with, the granting of such award or the issue or purchase of shares of Common Stock thereunder, such award may not be consummated in whole or in part unless such listing, registration, qualification, consent, approval, or agreement shall have been effected or obtained free of any conditions not acceptable to the Committee. A Grantee shall agree, as a condition of receiving any award under the Plan, to execute any documents, make any representations, agree to restrictions on stock transferability, and take any actions which in the opinion of legal counsel to the Holding Company and the Bank are required by any applicable law, ruling, or regulation. Neither the Holding Company nor the Bank is in any event obligated to register any such shares, to comply with any exemption from registration requirements, or to take any other action which may be required in order to permit, or to remedy or remove any prohibition or limitation on, the issuance or sale of such shares to any Grantee or other authorized person.

8. By deleting Section 3.05(a) of the Plan and replacing it with the following:

(a) The existence of the Options shall not affect:

- (i) the right or power of the Holding Company or the Bank or their shareholders to make adjustments, recapitalizations, reorganizations, or other changes in the Holding Company's or the Bank's capital structures or their business;
- (ii) any issue of bonds, debentures, preferred or prior preference stocks affecting the Common Stock or the rights thereof;
- (iii) the dissolution or liquidation of the Holding Company or the Bank, or sale or transfer of any part of the assets or business of the Holding Company or the Bank; or
- (iv) any other corporate act, whether of a similar character or otherwise.

All other provisions of the Plan shall remain in full force and effect as prior to the adoption of this Amendment.

**PROGRESS FINANCIAL CORPORATION**  
**2016 EQUITY INCENTIVE PLAN**

**1. Establishment, Purpose and Types of Awards**

**Progress Financial Corporation**, an Alabama corporation (the "**Company**"), has established the **PROGRESS FINANCIAL CORPORATION 2016 EQUITY INCENTIVE PLAN** (the "**Plan**"). The purpose of the Plan is to promote the long-term growth and profitability of the Company by (i) providing key people with incentives to improve shareholder value and to contribute to the growth and financial success of the Company through their future services and (ii) enabling the Company to attract, retain and reward the best-available persons.

The Plan permits the granting of stock options (including incentive stock options qualifying under Code section 422 and non-statutory stock options), stock appreciation rights, restricted or unrestricted stock awards, phantom stock, performance awards, other stock-based awards or any combination of the foregoing.

**2. Definitions**

Under the Plan, except where the context otherwise indicates, the following definitions apply:

(a) "**Administrator**" means the Board or the committee(s) or officer(s) appointed by the Board that have authority to administer the Plan as provided in Section 3 hereof.

(b) "**Affiliate**" means any entity, whether now or hereafter existing, that controls, is controlled by or is under common control with the Company (including, but not limited to, joint ventures, limited liability companies and partnerships). For this purpose, "**control**" shall mean ownership of 50% or more of the total combined voting power or value of all classes of stock or interests of the entity.

(c) "**Award**" means any stock option, stock appreciation right, stock award, phantom stock award, performance award or other stock-based award.

(d) "**Board**" means the Board of Directors of the Company.

(e) "**Change in Control**" means: (i) the acquisition (other than from the Company) in one or more transactions by any Person, as defined in this Section 2(e), of the beneficial ownership (within the meaning of Rule 13d-3 promulgated under the Securities Exchange Act of 1934, as amended) of 50% or more of (A) the then outstanding shares of the securities of the Company, or (B) the combined voting power of the then outstanding securities of the Company entitled to vote generally in the election of directors (the "**Company Voting Stock**"); (ii) the closing of a sale or other conveyance of all or substantially all of the assets of the Company; or (iii) the effective time of any merger, share exchange, consolidation or other business combination involving the Company, if, immediately after such transaction, persons who hold a majority of the outstanding voting securities entitled to vote generally in the election of directors of the surviving entity (or the entity owning 100% of such surviving entity) are not persons who, immediately prior to such transaction, held the Company Voting Stock; provided, however, that a Change in Control shall not include (x) any consolidation or merger effected exclusively to change the domicile of the Company or (y) any transaction or series of transactions principally for bona fide equity financing purposes in which cash is received by the Company or indebtedness of the Company is cancelled or converted or a combination thereof; provided, further, that for purposes of any Award or sub-plan that constitutes a "nonqualified deferred compensation plan," within the meaning of Code section 409A, the Administrator, in its discretion, may specify a different definition of Change in Control in order to comply with the provisions of Code section 409A.

For purposes of this Section 2(e), a **"Person"** means any individual, entity or group within the meaning of Section 13(d)(3) or 14(d)(2) of the Securities Exchange Act of 1934, as amended, other than: employee benefit plans sponsored or maintained by the Company and by entities controlled by the Company or an underwriter of the Common Stock in a registered public offering.

(f) **"Code"** means the Internal Revenue Code of 1986, as amended, and any regulations promulgated thereunder.

(g) **"Common Stock"** means shares of common stock of the Company, par value of \$1.00 per share.

(h) **"Fair Market Value"** means, with respect to a share of the Company's Common Stock for any purpose on a particular date, the value determined by the Administrator in good faith in accordance with Code section 409A (such that any Award granted hereunder will not be considered deferred compensation subject to Code section 409A, unless other provisions of an Award unrelated to Fair Market Value cause otherwise) and, for purposes of granting incentive stock options, in accordance with Code section 422. However, if the Common Stock is registered under Section 12(b) or 12(g) of the Securities Exchange Act of 1934, as amended, and listed for trading on a national exchange or market, **"Fair Market Value"** means, as applicable, (i) either the closing price or the average of the high and low sale price on the relevant date, as determined in the Administrator's discretion, quoted on the New York Stock Exchange, the American Stock Exchange, the Nasdaq Global Select Market or the Nasdaq Global Market; (ii) the last sale price on the relevant date quoted on the Nasdaq Capital Market; (iii) the average of the high bid and low asked prices on the relevant date quoted on the Nasdaq OTC Bulletin Board Service or by the National Quotation Bureau, Inc. or a comparable service as determined in the Administrator's discretion; or (iv) if the Common Stock is not quoted by any of the above, the average of the closing bid and asked prices on the relevant date furnished by a professional market maker for the Common Stock, or by such other source, selected by the Administrator. If no public trading of the Common Stock occurs on the relevant date but the shares are so listed, then Fair Market Value shall be determined as of the next preceding date on which trading of the Common Stock does occur. For all purposes under the Plan, the term **"relevant date"** as used in this Section 2(h) means either the date as of which Fair Market Value is to be determined or the next preceding date on which public trading of the Common Stock occurs, as determined in the Administrator's discretion, in accordance with Code section 409A.

(i) **"Grant Agreement"** means a written document memorializing the terms and conditions of an Award granted pursuant to the Plan, which shall incorporate by reference the terms of the Plan.

### 3. Administration

(a) *Administration of the Plan.* The Plan shall be administered by the Board or by such committee or committees as may be appointed by the Board from time to time. To the extent allowed by applicable state law, the Board by resolution may authorize an officer or officers to grant Awards (other than Stock Awards) to other officers and employees of the Company and its Affiliates, and, to the extent of such authorization, such officer or officers shall be the Administrator.

(b) *Powers of the Administrator.* The Administrator shall have all the powers vested in it by the terms of the Plan, such powers to include authority, in its sole and absolute discretion, to grant Awards under the Plan, prescribe Grant Agreements evidencing such Awards and establish programs for granting Awards.

Subject to limitations that may from time to time apply under banking laws and regulations, including restrictions on "golden parachute payments" in 12 CFR Part 359, the Administrator shall have full power and authority to take all other actions necessary to carry out the purpose and intent of the Plan, including, but not limited to, the authority to: (i) determine the eligible persons to whom, and the time or times at which, Awards shall be granted; (ii) determine the types of Awards to be granted; (iii) determine the number of shares to be covered by or used for reference purposes for each Award; (iv) impose such terms, limitations, restrictions and conditions upon any such Award as the Administrator shall deem appropriate; (v) modify, amend, extend or renew outstanding Awards, or accept the surrender of outstanding Awards and substitute new Awards (provided, however, that, except as provided in Section 6 or 7(d) of the Plan, any modification that would materially adversely affect any outstanding Award shall not be made without the consent of the holder and that, with respect to Awards subject to Code section 409A, any modifications shall conform to the requirements of Code section 409A and any guidance and regulations issued thereunder); (vi) accelerate or otherwise change the time in which an Award may be exercised or becomes payable and to waive or accelerate the lapse, in whole or in part, of any restriction or condition with respect to such Award, including, but not limited to, any restriction or condition with respect to the vesting or exercisability of an Award following termination of any grantee's employment or other relationship with the Company (provided, however, that, with respect to Awards subject to Code section 409A, any acceleration or waiver shall conform to the requirements of Code section 409A and any guidance and regulations issued thereunder); (vii) establish objectives and conditions, if any, for earning Awards and determining whether Awards will be paid with respect to a performance period; and (viii) for any purpose, including, but not limited to, qualifying for preferred tax treatment under foreign tax laws or otherwise complying with the regulatory requirements of local or foreign jurisdictions, to establish, amend, modify, administer or terminate sub-plans, and prescribe, amend and rescind rules and regulations relating to such sub-plans.

The Administrator shall have full power and authority, in its sole and absolute discretion, to administer, construe and interpret the Plan, Grant Agreements and all other documents relevant to the Plan and Awards issued thereunder, to establish, amend, rescind and interpret such rules, regulations, agreements, guidelines and instruments for the administration of the Plan and for the conduct of its business as the Administrator deems necessary or advisable, and to correct any defect, supply any omission or reconcile any inconsistency in the Plan or in any Award in the manner and to the extent the Administrator shall deem it desirable to carry it into effect.

(c) *Non-Uniform Determinations.* The Administrator's determinations under the Plan (including, without limitation, determinations of the persons to receive Awards, the form, amount and timing of such Awards, the terms and provisions of such Awards and the Grant Agreements evidencing such Awards) need not be uniform and may be made by the Administrator selectively among persons who receive, or are eligible to receive, Awards under the Plan, whether or not such persons are similarly situated.

(d) *Limited Liability.* To the maximum extent permitted by law, no member of the Administrator shall be liable for any action taken or decision made in good faith relating to the Plan or any Award thereunder.

(e) *Indemnification.* To the maximum extent permitted by law and by the Company's charter and bylaws, the members of the Administrator shall be indemnified by the Company in respect of all their activities under the Plan.

(f) *Effect of Administrator's Decision.* All actions taken and decisions and determinations made by the Administrator on all matters relating to the Plan pursuant to the powers vested in it hereunder shall be in the Administrator's sole and absolute discretion and shall be conclusive and binding on all parties concerned, including the Company, its shareholders, any participants in the Plan and any other employee, consultant or director of the Company, and their respective successors in interest.

#### **4. Shares Available for the Plan**

Subject to adjustments as provided in Section 7(d) of the Plan, the shares of Common Stock that may be issued with respect to Awards granted under the Plan shall not exceed an aggregate of seven percent (7%) of the 6,666,305 outstanding and treasury shares of Common Stock as of **December 31, 2015**. The Company shall reserve such number of shares of Common Stock for Awards under the Plan, subject to adjustments as provided in Section 7(d) of the Plan. If any Award, or portion of an Award, under the Plan expires or terminates unexercised, becomes un-exercisable, is settled in cash without delivery of shares of Common Stock or is forfeited or otherwise terminated, surrendered or canceled as to any shares, or if any shares of Common Stock are repurchased by or surrendered to the Company in connection with any Award (whether or not such surrendered shares were acquired pursuant to any Award), or if any shares are withheld by the Company, the shares subject to such Award and the repurchased, surrendered and withheld shares shall thereafter be available for further Awards under the Plan; provided, however, that any such shares that are surrendered to or repurchased or withheld by the Company in connection with any Award or that are otherwise forfeited after issuance shall not be available for purchase pursuant to incentive stock options intended to qualify under Code section 422.

#### **5. Participation**

Participation in the Plan shall be open to all employees, officers and directors of, and other individuals providing bona fide services to or for, the Company, or of any Affiliate of the Company, as may be selected by the Administrator from time to time. The Administrator may also grant Awards to individuals in connection with hiring, retention or otherwise, prior to the date on which the individual first performs services for the Company or an Affiliate, provided that such Awards shall not become vested or exercisable, and no shares shall be issued to such individual, prior to the date the individual first commences performance of such services.

#### **6. Awards**

The Administrator, in its sole discretion, establishes the terms of all Awards granted under the Plan. Awards may be granted individually or in tandem with other types of Awards, concurrently with or with respect to outstanding Awards. All Awards are subject to the terms and conditions provided in the Grant Agreement. The Administrator may permit or require a recipient of an Award to defer such individual's receipt of the payment of cash or the delivery of Common Stock that would otherwise be due to such individual by virtue of the issuance of, exercise of, payment of or lapse or waiver of restrictions respecting any Award. If any such payment deferral is required or permitted, the Administrator shall, in its sole discretion, establish rules and procedures for such payment deferrals, which such rules and procedures shall comply with Code section 409A.

(a) *Stock Options.* The Administrator may from time to time grant to eligible participants Awards of incentive stock options as that term is defined in Code section 422 or nonstatutory stock options. Options must have an exercise price at least equal to Fair Market Value as of the date of grant. Notwithstanding anything in this Plan or any Grant Agreement to the contrary, the following additional requirements shall apply to all incentive stock options:

- (i) No stock option shall be an incentive stock option unless so designated by the Administrator at the time of grant or in the Grant Agreement evidencing such stock option;
- (ii) Awards of incentive stock options shall be limited to employees of the Company or of any current or hereafter existing "*parent corporation*" or "*subsidiary corporation*," as defined in Code sections 424(e) and (f), respectively, of the Company and any other individuals who are eligible to receive incentive stock options under the provisions of Code section 422;
- (iii) Pursuant to Code section 422(d), the aggregate fair market value (determined as of the grant date) of shares of Common Stock with respect to which an incentive stock option first becomes exercisable by an individual in any calendar year under the Plan or any other plan of the Company (and its parent and subsidiary corporations, within the meaning of Code section 424(e) and (f), as may exist from time to time) may not exceed \$100,000 or such other amount as may be permitted from time to time under Code section 422. To the extent that such aggregate fair market value exceeds \$100,000 or other applicable amount in any calendar year, such portion of the incentive stock option will be treated as a non-statutory stock option with respect to the amount of aggregate Fair Market Value thereof that exceeds the Code section 422(d) limit. For this purpose, incentive stock options will be taken into account in the order in which they were granted. In such case, the Company may designate the shares of Common Stock that are to be treated as stock acquired pursuant to the exercise of the incentive stock option and the shares of Common Stock that are to be treated as stock acquired pursuant to the non-statutory stock option by issuing separate certificates for such shares and identifying the certificates as such in the stock transfer records of the Company; and
- (iv) If an individual owns, directly or indirectly through attribution, stock possessing more than 10% of the total combined voting power of all classes of stock of the Company or of any of its subsidiaries (within the meaning of Code section 424(f) on the grant date, then with respect to each grant of an incentive stock option to such individual: (A) the exercise price may not exceed 110% of the Fair Market Value of the Common Stock on the grant date, and (B) the incentive stock option is not exercisable after the last business day prior to the fifth anniversary (rather than the tenth anniversary) of the date on which such incentive stock option is granted.

(b) *Stock Appreciation Rights.* The Administrator may from time to time grant to eligible participants Awards of Stock Appreciation Rights ("**SAR**"). A SAR entitles the grantee to receive, subject to the provisions of the Plan and the Grant Agreement, a payment having an aggregate value equal to the product of (i) the excess of (A) the Fair Market Value on the exercise date of one share of Common Stock over (B) the base price per share specified in the Grant Agreement, times (ii) the number of shares specified by the SAR, or portion thereof, that is exercised. The base price per share specified in the Grant Agreement shall not be less than the Fair Market Value on the grant date. Payment by the Company of the amount receivable upon any exercise of a SAR may be made by the delivery of Common Stock or cash, or any combination of Common Stock and cash, as determined in the sole discretion of the Administrator. If upon settlement of the exercise of a SAR a grantee is to receive a portion of such payment in shares of Common Stock, the number of shares shall be determined by dividing such portion by the Fair Market Value of a share of Common Stock on the exercise date. No fractional shares shall be used for such payment, and the Administrator shall determine whether cash shall be given in lieu of such fractional shares or whether such fractional shares shall be eliminated.

(c) *Stock Awards.* The Administrator may from time to time grant restricted or unrestricted stock Awards to eligible participants in such amounts, on such terms and conditions and for any lawful consideration as the Administrator may determine. The consideration for a stock Award may be in the form of services provided, or may be paid in Common Stock, in cash or in a combination of Common Stock and cash, as determined in the sole discretion of the Administrator.

(d) *Phantom Stock.* The Administrator may from time to time grant Awards to eligible participants denominated in stock-equivalent units ("**phantom stock**") in such amounts and on such terms and conditions as it shall determine. Phantom stock units granted to a participant shall be credited to a bookkeeping reserve account solely for accounting purposes and shall not require a segregation of any of the Company's assets. An Award of phantom stock may be settled in Common Stock, in cash or in a combination of Common Stock and cash, as determined in the sole discretion of the Administrator. Except as otherwise provided in the applicable Grant Agreement, the grantee shall not have the rights of a shareholder with respect to any shares of Common Stock represented by a phantom stock unit solely as a result of the grant of a phantom stock unit to the grantee.

(e) *Performance Awards.* The Administrator may, in its discretion, grant performance awards that become payable on account of attainment of one or more performance goals established by the Administrator. Performance awards may be paid by the delivery of Common Stock or cash, or any combination of Common Stock and cash, as determined in the sole discretion of the Administrator. Performance goals established by the Administrator may be based on the Company's or an Affiliate's operating income or one or more other business criteria selected by the Administrator that apply to an individual or group of individuals, a business unit or the Company or an Affiliate as a whole, over such performance period as the Administrator may designate.

(f) *Other Stock-Based Awards.* The Administrator may from time to time grant other stock-based awards to eligible participants in such amounts, on such terms and conditions and for any lawful consideration as the Administrator may determine. Other stock-based awards may be denominated in cash, in Common Stock or other securities, in stock-equivalent units, in stock appreciation units, in securities or debentures convertible into Common Stock or in any combination of the foregoing and may be paid in Common Stock or other securities, in cash or in a combination of Common Stock or other securities and cash, all as determined in the sole discretion of the Administrator.

## 7. Miscellaneous

(a) *Withholding of Taxes.* Grantees and holders of Awards shall pay to the Company or its Affiliate, or make provision satisfactory to the Administrator for payment of, any taxes required to be withheld in respect of Awards under the Plan no later than the date of the event creating the tax liability. The Company or its Affiliate may, to the extent permitted by law, deduct any such tax obligations from any payment of any kind otherwise due to the grantee or holder of an Award. In the event that payment to the Company or its Affiliate of such tax obligations is made in shares of Common Stock, such shares shall be valued at Fair Market Value on the applicable date for such purposes and shall not exceed in amount the minimum statutory tax withholding obligation.

(b) *Loans.* To the extent otherwise permitted by law, the Company or its Affiliate may make or guarantee loans to grantees to assist grantees in exercising Awards and satisfying any withholding tax obligations.

(c) *Transferability.* Except as otherwise determined by the Administrator, and in any event in the case of an incentive stock option or a stock appreciation right granted with respect to an incentive stock option, no Award granted under the Plan shall be transferable by a grantee otherwise than by will or the laws of descent and distribution. Unless otherwise determined by the Administrator in accord with the provisions of the immediately preceding sentence, an Award may be exercised during the lifetime of the grantee, only by the grantee or, during the period the grantee is under a legal disability, by the grantee's guardian or legal representative.

(d) *Adjustments for Corporate Transactions and Other Events.*

(i) *Stock Dividend, Stock Split and Reverse Stock Split.* In the event of a stock dividend of, or stock split or reverse stock split affecting, the Common Stock, (A) the maximum number of shares of such Common Stock as to which Awards may be granted under the Plan, as provided in Section 4 of the Plan, and (B) the number of shares covered by and the exercise price and other terms of outstanding Awards, shall, without further action of the Board, be adjusted to reflect such event unless the Board determines, at the time at which it approves such stock dividend, stock split or reverse stock split, that no such adjustment shall be made. The Administrator may make adjustments, in its discretion, to address the treatment of fractional shares and fractional cents that arise with respect to outstanding Awards as a result of the stock dividend, stock split or reverse stock split.

(ii) *Non-Change in Control Transactions.* Except with respect to the transactions set forth in Section 7(d)(i), in the event of any change affecting the Common Stock, the Company or its capitalization, by reason of a spin-off, split-up, dividend, recapitalization, merger, consolidation or share exchange, other than any such change that is part of a transaction resulting in a Change in Control of the Company, the Administrator, in its discretion and without the consent of the holders of the Awards, may make (A) appropriate adjustments to the maximum number and kind of shares reserved for issuance or with respect to which Awards may be granted under the Plan, as provided in Section 4 of the Plan; and (B) any adjustments in outstanding Awards, including, but not limited to, modifying the number, kind and price of securities subject to Awards.

(v) *Change in Control Transactions.* In the event of any transaction resulting in a Change in Control of the Company, outstanding stock options and other Awards that are payable in or convertible into Common Stock under the Plan will terminate upon the effective time of such Change in Control unless provision is made in connection with the transaction for the continuation or assumption of such Awards by, or for the substitution of the equivalent awards of, the surviving or successor entity or a parent thereof. In the event of such termination, the holders of stock options and other Awards under the Plan will be permitted, immediately before the Change in Control, to exercise or convert all portions of such stock options or other Awards under the Plan that are then exercisable or convertible or that become exercisable or convertible upon or prior to the effective time of the Change in Control. Notwithstanding any other provision of the Plan to the contrary, in the event of a Change in Control, the Administrator may, in its sole discretion, take such actions as it deems appropriate in connection with such Change in Control to provide for the acceleration of the exercisability of any or all outstanding stock options or other Awards, subject to compliance with Section 409A of the Code and any applicable banking laws and regulations. There will be no automatic acceleration of the exercisability of any or all outstanding stock options or other Awards upon a Change in Control unless otherwise determined by the Administrator. If, immediately before the Change in Control, no stock of the Company is readily tradeable on an established securities market or otherwise, and the vesting of an Award or Awards pursuant to this Section 7(d)(iii) would be treated as a "parachute payment" (as defined in section 280G of the Code), then such Award or Awards shall not vest unless the requirements of the shareholder approval exemption of section 280G(b)(5) of the Code have been satisfied with respect to such Award or Awards.

(vi) *Unusual or Nonrecurring Events.* The Administrator is authorized to make, in its discretion and without the consent of holders of Awards, adjustments in the terms and conditions of, and the criteria included in, Awards in recognition of unusual or nonrecurring events affecting the Company, or the financial statements of the Company or any Affiliate, or of changes in applicable laws, regulations or accounting principles, whenever the Administrator determines that such adjustments are appropriate in order to prevent dilution or enlargement of the benefits or potential benefits intended to be made available under the Plan.

(vii) *Adjustments to Awards.* Any adjustments under this Section 7(d) shall conform to the requirements of any and all applicable banking laws and regulations and of Code section 409A and any guidance and regulations issued thereunder.

(e) *Substitution of Awards in Mergers and Acquisitions.* Subject to compliance with Code section 409A, awards may be granted under the Plan from time to time in substitution for awards held by employees, officers, consultants or directors of entities who become or are about to become employees, officers, consultants or directors of the Company or an Affiliate as the result of a merger or consolidation of the employing entity with the Company or an Affiliate, or the acquisition by the Company or an Affiliate of the assets or stock of the employing entity. The terms and conditions of any substitute Awards so granted may vary from the terms and conditions set forth herein to the extent that the Administrator deems appropriate at the time of grant to conform the substitute Awards to the provisions of the awards for which they are substituted.

(f) *Other Agreements.* As a condition precedent to the grant of any Award under the Plan, the exercise pursuant to such an Award or to the delivery of certificates for shares issued pursuant to any Award, the Administrator may require the grantee or the grantee's successor or permitted transferee, as the case may be, to become a party to a stock restriction agreement, stockholder's agreement, voting trust agreement, voting agreement, right of first refusal agreement, co-sale agreement, lock-up agreement or other agreements regarding the Common Stock of the Company in such form(s) as the Administrator may determine from time to time in its sole discretion.

(g) *Termination, Amendment and Modification of the Plan.* The Board may terminate, amend or modify the Plan or any portion thereof at any time. Except as otherwise determined by the Board, termination of the Plan shall not affect the Administrator's ability to exercise the powers granted to it hereunder with respect to Awards granted under the Plan prior to the date of such termination.

(h) *Non-Guarantee of Employment or Service.* Nothing in the Plan or in any Grant Agreement thereunder shall confer any right on an individual to continue in the service of the Company or shall interfere in any way with the right of the Company to terminate such service at any time with or without cause or notice and whether or not such termination results in (i) the failure of any Award to vest; (ii) the forfeiture of any unvested or vested portion of any Award; and/or (iii) any other adverse effect on the individual's interests under the Plan.

(i) *Compliance with Securities Laws; Listing and Registration.* If at any time the Administrator determines that the delivery of Common Stock under the Plan is or may be unlawful under the laws of any applicable jurisdiction, or Federal, state or foreign securities laws, the right to exercise an Award or receive shares of Common Stock pursuant to an Award shall be suspended until the Administrator determines that such delivery is lawful. The Company shall have no obligation to effect any registration or qualification of the Common Stock under Federal, state or foreign laws.

The Company may require that a grantee, as a condition to exercise of an Award, and as a condition to the delivery of any share certificate, make such written representations (including representations to the effect that such person will not dispose of the Common Stock so acquired in violation of Federal, state or foreign securities laws) and furnish such information as may, in the opinion of counsel for the Company, be appropriate to permit the Company to issue the Common Stock in compliance with applicable Federal, state or foreign securities laws. The stock certificates for any shares of Common Stock issued pursuant to the Plan may bear a legend restricting transferability of the shares of Common Stock unless such shares are registered or an exemption from registration is available under the Securities Act of 1933, as amended and applicable state or foreign securities laws.

(j) *No Trust or Fund Created.* Neither the Plan nor any Award shall create or be construed to create a trust or separate fund of any kind or a fiduciary relationship between the Company and a grantee or any other person. To the extent that any grantee or other person acquires a right to receive payments from the Company pursuant to an Award, such right shall be no greater than the right of any unsecured general creditor of the Company.

(k) *Governing Law.* The validity, construction and effect of the Plan, of Grant Agreements entered into pursuant to the Plan and of any rules, regulations, determinations or decisions made by the Administrator relating to the Plan or such Grant Agreements, and the rights of any and all persons having or claiming to have any interest therein or thereunder, shall be determined exclusively in accordance with applicable federal laws and the laws of the State of Alabama, without regard to its conflict of laws principles.

(l) *Effective Date; Termination Date.* The Plan is effective on **April 19, 2016**, subject to any required regulatory approvals and approval of the shareholders of the Company. If the shareholders of the Company fail to approve the Plan within twelve (12) months of the date on which the Board adopted the Plan, then the Plan shall be null and void, and any Award granted hereunder shall be canceled. No Award shall be granted under the Plan after the close of business on the day immediately preceding the tenth anniversary of the effective date of the Plan, or, if earlier, the tenth anniversary of the date the Plan is approved by the shareholders. Subject to other applicable provisions of the Plan, all Awards made under the Plan prior to such termination of the Plan shall remain in effect until such Awards have been satisfied or terminated in accordance with the Plan and the terms of such Awards.

(m) *Code Section 409A.* The Awards granted herein are intended to be exempt from or otherwise comply with Code section 409A. To the extent an Award is subject to Code section 409A, the terms and conditions of the Award shall comply with Code section 409A and any guidance and regulations issued thereunder and shall be interpreted, operated and administered accordingly. Notwithstanding any provision of the Plan or a Grant Agreement to the contrary, the Company reserves the right to amend any Award as the Company deems necessary or desirable to avoid the imposition of taxes or penalties under Code section 409A. In any case, a recipient shall be solely responsible and liable for the satisfaction of all taxes and penalties that may be imposed on such recipient in connection with an Award (including any taxes and penalties under Code section 409A), and neither the Company nor any of its Affiliates shall be liable for any such taxes or penalties or have any obligation to indemnify or otherwise hold such recipient harmless from any or all such taxes or penalties.

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We hereby consent to the incorporation by reference in this Registration Statement on Form S-8 of United Community Banks, Inc. of our report dated February 25, 2022 relating to the financial statements and the effectiveness of internal control over financial reporting, which appears in United Community Banks, Inc.'s Annual Report on Form 10-K for the year ended December 31, 2021.

/s/ PricewaterhouseCoopers LLP  
Atlanta, Georgia  
January 6, 2023