



## PEAPACK-GLADSTONE FINANCIAL CORPORATION

### STOCK OWNERSHIP GUIDELINES

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**Who is subject to guidelines:** Members of the Board of Directors, the Chief Executive Officer (“CEO”), and the named executive officers as identified in the Proxy Statement of Peapack-Gladstone Financial Corporation (the “Company”) are subject to these stock ownership guidelines.

**Ownership guidelines:** The table presented below is a summary of the ownership guidelines.

All new members elected to the Board will be required to own a minimum of \$10,000 in Company stock at the time the appointment becomes effective.

Executives and Board members will be expected to maintain ownership (by Company grant and through individual purchase) of shares equivalent to the following dollar amount in Peapack-Gladstone (“PGC”) stock:

Position / Level	Requirement
<b>Directors</b>	
Board Member	Five times annual Company retainer
<b>Named Executive Officers</b>	
CEO	Three times base salary
Other Named Executive Officers	One times base salary

**Qualifying Shares:** Include shares that the individual owns or has voting power including: the power to vote, or to direct the voting; and/or, investment power, including the power to dispose or to direct the disposition. Shares owned by an individual in the Company’s benefit plans (e.g., ESOP and 401(k) Plan) count toward the stock ownership requirement. Unvested restricted stock, unexercised stock options and unvested restricted stock units are excluded from the calculation.

**Measurement:** Compliance with these ownership guidelines will be measured using the stock ownership set forth in the Company’s Proxy each year, using the PGC closing price as of the date for which such ownership is set forth, and using the annual retainer (for non-management

directors) and base salary (for the CEO and other named executive officers) in effect for the immediately preceding year.

**Compliance with Guidelines and Holding Period:** Each individual shall be required to meet the ownership guidelines within five (5) years of being appointed to his or her position or elected to the Board of Directors of the Company. Each individual will be required to retain 100% of any net shares received through Company grants under the long-term incentive plans until the applicable ownership guideline is achieved.

**Administration:** The Board authorizes the Nominating Committee of the Board to administer and interpret the Stock Ownership Guidelines and make recommendations to the Board of Directors, as needed. The Board of Directors will have discretion to address and approve “hardship” requirements on a case-by-case basis.

## **POLICY CHANGES**

This policy will be submitted to the Board of Directors (the “Board”) for review and approval on at least an annual basis.

Interim policy changes may be enacted with the approval of any Policy Making Officer of the Company or Peapack Private Bank & Trust (the “Bank”) without the immediate approval of the Board of Directors. Interim policy changes may include:

- changes made in accordance with regulatory, organizational, procedural and technological changes;
- policy recommendations and comments made by the Company or the Bank’s regulators, auditors and consultants; and
- correction of typographical and grammatical errors.

All interim policy changes will be recorded on the policy cover page. All revisions will be submitted to the Board of Directors in conjunction with the annual approval.

Any policy that is completely or substantially rewritten, beyond an interim policy change, must be submitted to the Board of Directors for approval.

The policies that must be submitted to the Board of Directors for approval are defined in the Policy on Policies.