

**AMENDMENT 2010-1  
TO THE  
STOCK OPTION AND RESTRICTED STOCK PLAN OF  
FIRST BANK OF DELAWARE**

**WHEREAS**, First Bank of Delaware (the "**Bank**") maintains the Stock Option Plan and Restricted Stock Plan of First Bank of Delaware (the "**Plan**"); and

**WHEREAS**, Section 12 of the Plan provides that the Plan may be amended by the Bank's Board of Directors (the "**Board**") at any time, subject to certain restrictions; and

**WHEREAS**, the Board has resolved that it is in the best interest of the Bank and its shareholders to amend the Plan to provide that 1,800,000 shares of common stock ("**Shares**") shall be available for issuance under the Plan; and

**WHEREAS**, the Board has resolved that it is in the best interest of the Bank and its shareholders to amend the Plan to provide for an additional number of Shares to be automatically available under the Plan, on an annual basis, to the extent necessary to restore the number of Shares available under the Plan to 1,800,000; and

**WHEREAS**, the Board has resolved that the Plan will remain effective until December 31, 2019.

**NOW THEREFORE**, effective as of the date approved by the Bank's shareholders, the Plan is hereby amended as follows:

1. Section 3(a) of the Plan is hereby revised in its entirety to read as follows:

"The aggregate number of shares of the Common Stock, par value \$.01 ("Common Stock"), of the Company that may be issued or transferred under the Plan is 1,800,000, subject to adjustment pursuant to Section 3(b) below. Such shares may be authorized but unissued shares or reacquired shares. If and to the extent that options granted under the Plan terminate, expire, are canceled without having been exercised (including shares canceled as part of an exchange of Grants) or are exercised, or if any shares of restricted stock are forfeited, the shares subject to such Grant shall again be available for subsequent Grants under the Plan. All of the shares of Common Stock of the Company that may be issued or transferred under the Plan may be issued pursuant to Incentive Stock Options. Annually, subject to adjustment pursuant to Section 3(b) below, the number of shares of Common Stock of the Company that may be issued or transferred under the Plan shall be increased by the number of shares of Common Stock of the Company that are issued or transferred under the Plan in the preceding 12 months, such that the total number of shares of Common Stock of the Company that may be issued or transferred

under the Plan shall be restored to 1,800,000. Any shares of Common Stock of the Company which become available for issuance or transfer under the Plan following the application of the previous sentence shall be available to be issued or transferred under the Plan pursuant to Incentive Stock Options.”

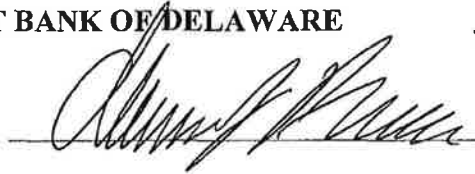
2. Section 12(b) of the Plan is hereby revised in its entirety to read as follows:

*“Termination of Plan.* The Plan shall terminate on December 31, 2019 unless earlier terminated by the Board or unless extended by the Board with the approval of the shareholders.”

**IN WITNESS WHEREOF**, this Amendment has been executed on this 10th day of May, 2010.

**FIRST BANK OF DELAWARE**

By: \_\_\_\_\_



Title: Chief Executive Officer

**AMENDED AND RESTATED EMPLOYMENT AGREEMENT**

**THIS AGREEMENT**, entered into this 1st day of March, 2011, by and between First Bank of Delaware, a Delaware bank (“Company” or “Employer”), and Alonzo J. Primus (“Executive”).

**WHEREAS**, the Company and the Executive are parties to an Employment Agreement dated July 1, 2009 (the “Prior Employment Agreement”); and

**WHEREAS**, the Company desires to continue to employ Executive as President and Chief Executive Officer of the Company upon the terms and conditions set forth in this Employment Agreement; and

**WHEREAS**, the Executive desires to continue to be employed in such capacities by the Company, subject to the terms and conditions of this Agreement;

**NOW THEREFORE**, in consideration of the mutual promises contained herein, and other good and valuable consideration, receipt and sufficiency of which is hereby acknowledged, and intending to be legally bound hereby, the parties agree as follows:

1. **Term.** This Agreement shall be effective as of March 1, 2011 (“Effective Date”) and shall continue until terminated as provided for in Paragraph 4 below.

2. **Duties and Employment.** Company hereby employs Executive as President and Chief Executive Officer of the Company, pursuant to the terms hereof. Executive shall faithfully perform such duties as are customarily required of a President and Chief Executive Officer, except as modified by the duties of the Company’s Executive Chairman, and shall devote his full time, energy and attention to those duties and to such other duties as may be reasonably assigned to him by the Board pursuant to the terms of this Agreement; provided that nothing contained herein shall prohibit

Executive from making personal investments (provided that such investments do not interfere with his duties hereunder) or participating or engaging in community, charitable and educational affairs that do not interfere with his duties hereunder.

**3. Compensation.**

(a) **Regular Compensation.** For all services rendered by Executive under this Agreement, Employer shall pay Executive in accordance with the normal payment practices of the Employer an annual salary of Four Hundred and Fifty Thousand Dollars (\$450,000.00) (the "Base Salary"). The Base Salary may be increased at the sole discretion of the Compensation Committee (the "Compensation Committee"). As an executive director, Executive shall not be paid Board fees by the Company to non executive directors

(b) **Deferred Compensation.** In addition to the Base Salary, Company may, at the sole discretion of the Compensation Committee, may from time to time credit for the benefit of Executive deferred compensation in amounts determined by the Compensation Committee pursuant to the terms of the Company's Deferred Compensation Plan as that plan may be changed from time to time.

(c) **Stock and Other Compensation Plans.** Executive shall be eligible to participate in any stock purchase, stock grant, stock option, retirement, savings, or other compensation plans presently or hereafter maintained by the Company for its senior executives. Except as set forth in this subsection, eligibility in no way guarantees Executive's receipt of any stock grant, stock option or other compensation pursuant to such stock plans, which shall be in the sole discretion of the Compensation Committee, except that Executive will annually, on January 1 of each year this

Agreement shall be in effect, be granted non-qualified options to purchase a minimum of 25,000 shares of the Companies' stock at the price at the close of business on the day that the options are granted, which options shall not vest for four (4) years from the date of the options (except as otherwise provided in the options grants or in this Agreement) and which shall continue for a period of ten (10) years. The Board, or its designated committees or officers, shall consider awarding any other such compensation at least annually. While not legally required to pay or give any such compensation, except as specifically provided for in this Agreement, the Compensation Committee may take into account in its determination the performance of the Employer and the Executive and the general economic and competitive conditions as well as Executive's responsibilities and other pertinent factors.

(d) **Bonuses.** Executive shall also be able to earn an annual bonus based on a percent of his annual Base Salary, contingent upon the Company, in the sole discretion and determination of the Compensation Committee, achieving mutually agreed upon annual budget based criteria, including by way of illustration only for the Company, net income, stock price, new programs, core deposits, loan growth, income from loan programs, price of the Company's stock and such other criteria as shall be set by the Compensation Committee.

(e) **Health, Disability and Retirement.** Employer shall maintain such medical and disability insurance coverage (in an amount equal to at least Executive's annual base salary) and such retirement plan or plans for Executive and his dependents as it maintains for other senior executives. Executive shall be entitled to twenty-four (24) paid time off days per annum.

(f) **Automobile.** During the term of this Agreement, the Employer shall pay Executive a monthly automobile allowance of Two Thousand Dollars (\$2,000). Employer shall also pay or reimburse the Executive for all reasonable expenses associated with the operation, maintenance and insurance of such automobile, including expenses for a parking space convenient to the Employer, and including a mobile telephone and other mobile communication devices as Executive shall determine are required.

(g) **Life Insurance Policy.** Employer agree to reimburse Executive for the costs of term life insurance policies in an amount equal to three times Executive's total annual compensation and such other terms and conditions as may be accepted by Executive, the beneficiary of which shall be designated by Executive.

(h) **Travel Expenses.** During the term of this Agreement, Executive shall be reimbursed for normal and reasonable travel expenses incurred on behalf of the Company.

(i) **Entertainment Expenses.** Executive will be reimbursed for all reasonable expenses incurred by Executive in fulfillment of his duties on behalf of the Company, including entertainment, business meals and the like.

(j) **Other Benefits.** Executive will be reimbursed for initiation fees, annual dues and expenses of membership in a lunch club and a golf or country club for himself and his spouse.

(k) **Approvals.** All expenses incurred by the Executive under subparagraphs (h), (i) and (j) hereof shall be approved by the Chairman of the Company or his designee.

**4. Term; Termination.**

(a) Unless earlier terminated in accordance with the provisions of this Section 4, the Executive's employment under this Agreement shall continue until December 31, 2012; provided, however, in the event neither party shall have given written notice that they desire to terminate the Agreement within six (6) months of the termination date, the Agreement shall automatically continue annually thereafter.

(b) Executive may terminate this Agreement upon six (6) months written notice to Employer.

(c) This Agreement shall automatically terminate upon the death of the Executive without any additional payments of salary or other benefits to Executive except as may be required by law and as set forth in this Agreement.

(d) This Agreement shall automatically terminate upon Executive's "total disability," which shall be defined as total disability under Executive's disability insurance policy.

(e) The Company may terminate Executive immediately for "Good Reason." For purposes of this Agreement, "Good Reason" shall mean (i) breach of a fiduciary duty to Employer involving personal profit and which causes material harm to the Employer, (ii) conviction of a felony or willful violation of any banking law or regulation or a crime of moral turpitude, and (iii) gross negligent performance of the duties under this Agreement resulting in a material impairment of Company's financial condition.

(f) Executive may terminate this Agreement for "Good Cause." For purposes of this Agreement, "Good Cause" shall mean failure of Employer to comply in

any material respect with any material provision of this Agreement, which failure has not been cured within thirty (30) days after a written notice of such noncompliance has been given by Executive to Employer, a change in the substantive duties of Executive, a change in location of business or a Change of Control as that term is defined hereinafter.

**5. Payments to Executive Upon Termination.**

(a) In the event of the termination of Executive's employment for any reason, including a merger or sale of the Company or sale or transfer of a majority of the stock of the Company (jointly, a "Change of Control") or failure of the Company to continue Executive's employment at the termination of this Agreement or any subsequent employment agreement (individually, a "Termination Event"), but excluding Executive's death or resignation by Executive without Good Cause, or termination of Executive for Good Reason as set forth in Section 4(e), as consideration for Executive's services to Employer prior to Executive's termination, Employer shall pay to Executive a sum equal to three times the amount of Executive's annual Base Salary in effect immediately prior to his termination plus three (3) times the average bonus paid to Executive over the prior three years. For a period of three (3) years after termination of his employment, Employer shall also pay to Executive in cash additional amounts that correspond to the amounts the Employer would have paid in premiums for the life insurance policy covering Executive, and shall provide, at no cost to Executive, continuation of his health and life insurance benefits in effect immediately prior to his termination. In the event such continuation of benefits is not permitted under the terms of the insurance contracts applicable to such benefits, Employer shall pay to Executive in cash the amount which will permit Executive to purchase comparable insurance policies. Upon the occurrence of a Termination Event, all stock options, annuities, deferred compensation and pensions held by or for Executive shall fully vest. The total benefits set forth in this



Section 5(a) shall hereinafter be referred to as "Severance Benefits". All Severance Benefits from a Termination Event under this Section 5(a) shall be paid to Executive within thirty (30) days of the date of occurrence of the Termination Event.

(b) In the event that the amounts and benefits payable under this Section 5 (the "Termination Payments"), when aggregated with any other payments to Executive that are in the nature of compensation and that are considered to be contingent on a change in the ownership or effective control of the Company, or in the ownership of a substantial portion of the assets of the Company (as those terms are used for purposes of Code Section 280(i), are such that Executive becomes subject to the excise tax provisions of Code Section 4999, the Employer shall reduce the payments otherwise required hereunder to the extent necessary so that Executive shall not be subject to such excise tax provisions. In interpreting this Section 5(b), the Employer's obligations to make Termination Payments are considered to be binding on the Employer and this Section 5(b) shall not apply to any such Termination Payments that may be grandfathered out of any modifications made to Code Section 4999 (or Code Section 280G) subsequent to the date hereof.

All calculations required to be made under the preceding paragraph shall be made by the Employer's independent certified public accountants within thirty (30) days of the Termination of Executive's employment, subject to the right of Executive's representative to review the same.

In the event that any amounts paid by the Employer hereunder are subsequently determined to be in excess of the amounts owed, whether because estimates were required or otherwise ("Excess Amount"), Executive will, upon written notice from the Employer, setting forth the calculation of the Excess Amount by Employer's independent certified public accountants (and subject to the right of Executive's representatives to review same), pay to Employer the Excess Amount, together with interest thereon at the applicable

federal rate (as determined under Code Section 1274 for the period of time such Excess Amount remained outstanding and unreimbursed).

In the event the amounts paid by the Employer hereunder are subsequently determined, for any reason, to be less than the amounts which should have been paid (as properly calculated hereunder)("Deficiency Amount"), the Employer will, within thirty (30) days of such determination, pay to Executive the Deficiency Amount, together with interest at the greater of the above-referenced rate or the interest he may be required to pay to the respective taxing authorities. Prior to its payment of the Deficiency Amount, the Employer shall be entitled to documentation (with supporting calculations made by the Executive's accountant or, in the case of tax assessments, copies of such assessments) supporting the Deficiency Amount and any interest or penalties imposed by the assessing authorities.

The parties recognize that the actual implementation of the provisions of this subsection are complex and agree to deal with each other in good faith to resolve any questions or disagreements arising hereunder.

(c) Notwithstanding the preceding provisions of this Section 5, in the event that (and to the extent that) the payment and benefit provisions are determined to be contrary to (and in excess of) those permitted under any applicable federal or state banking authority law, rule or regulation, then the benefits provided under this Section 5 shall be reduced by such amount (but no more than such amount) as may be required to comply with such law, rule or regulation. The Executive shall be entitled to elect which payments and benefits shall be reduced and in what manner, subject to recommendation by the Compensation Committee, and reasonable approval of the Board and to the extent permitted by such federal or state banking authority law, rule or regulation.

6. **Confidentiality.** Executive acknowledges that, in the course of his employment by Employer, he will have access to confidential information, trade secrets, and unique business procedures which are the valuable property of Employer. Executive agrees not to disclose for any reason, directly or indirectly, any confidential, trade secret or other proprietary information, as determined by Employer in its reasonable discretion, at any time, during or after the period Executive is employed by Employer, for any purpose other than to perform his assigned duties on behalf of Employer.

7. **Restrictive Covenant.**

(a) During the term of this Agreement and for a period of one (1) year after termination of his employment, Executive shall not:

(i) Directly or indirectly own an interest in, nor be an employee or independent contractor of, or consultant for any company which owns or is affiliated with a commercial bank which operates a branch or affiliate in the State of Delaware or directly or indirectly own an interest in, or be an employee or independent contractor of, or consultant to company which owns or is affiliated with any company which is directly or indirectly involved in a program similar to the "short-term loan" programs or the subprime credit or debit card businesses operated by the Company or any of its affiliates;

(ii) Solicit any of Company's customers or direct any current or prospective customer to anyone or any other entity other than Company for goods or services which Company or any of its affiliates (the "Affiliates") provide;

(iii) Directly or indirectly influence any of Company's or any affiliates' employees to terminate their employment with such entity or accept employment with any of Company's or its Affiliates' competitors; or

(iv) Interfere with any Company or any of its Affiliates' business relationships, including without limitation those with customers, suppliers, consultants, attorneys, and other agents, whether or not evidenced by written or oral agreements.

(b) These covenants and the provisions of Sections 6 and 7 hereof on the part of the Executive shall be construed as an agreement, independent of any other provision of this Agreement. The existence of any claim or cause of action of Executive against the Company, whether predicated on this Agreement or otherwise, shall not constitute a defense to the enforcement by the Company of this restrictive covenant by equitable, injunctive and compensatory relief. If a court deems any of these restrictive covenants too restrictive or otherwise unenforceable due to its present terms, then it shall be reduced to a time period as deemed equitable by the court and extended for one (1) year beyond final ruling by the Court.

(c) Executive acknowledges that he had the opportunity and funds to confer with an attorney before signing this Agreement, that there were other employment opportunities for Executive besides this Agreement with the Company, and that without the Executive's agreement to abide by the confidentiality and restrictive covenants set forth in Sections 6 and 7, Company would not have executed this Agreement.

(d) If the Company attempts to enforce the restrictive covenants or confidentiality section in a court of law, except if a court shall rule completely in favor of

Executive, the Company's legal fees, costs, loss of profits/time of the Company's personnel and other damages shall be paid to the Company by Executive.

8. **Indemnification.** Employer shall indemnify Executive to the full extent permitted by law and by the by-laws or certificates of incorporation of the Company for the benefit of its respective officers or directors as in effect on the date hereof.

9. **Notices.** Any and all notices, designations, consents, offers, acceptances, or any other communications provided for herein shall be given in writing by registered or certified mail, return receipt requested to the addresses set forth below or as may be changed by the parties:

If to Company:

5301 Limestone Road, Suite 106  
Wilmington, DE 19808  
Attention: Chairman of the Board

If to Executive:

Alonzo J. Primus  
114 Tammy Lane  
Mickleton, NJ 08056

or to such other or additional person or persons or such other addresses as either party may designate to the other party in writing or by like notice.

10. **Invalid Provisions.** The invalidity or unenforceability of any particular provision of this Agreement shall not affect the other provisions hereof, and the Agreement shall be construed in all respects as if such invalid or unenforceable provisions were omitted.

11. **Modification.** No change or modification of this Agreement shall be enforceable against any party unless the same be in writing and signed by the party against whom enforcement is sought.

12. **Entire Agreement.** This Agreement represents the entire agreement between the parties with respect to the subject matter hereof, and supersedes all prior agreements and understandings with respect thereto.

13. **Representation of Employer.** The Employer represents and warrants that the execution of this Agreement by the Employer has been duly authorized by resolution of its Compensation Committees.

14. **Headings.** Any heading preceding the text of the several paragraphs hereof are inserted solely for the convenience of reference and shall not constitute a part of this Agreement, nor shall they affect its meaning, construction or effect.

15. **Successors; Assigns.** This Agreement shall inure to the benefit of, and be binding upon, the parties hereto, and their respective heirs, executors, administrators, successors and, to the extent permitted herein, assigns. Notwithstanding the foregoing, no party hereto may assign its rights or obligations hereunder.

16. **Governing Law.** This Agreement shall be governed by, and construed in accordance with, the laws of the State of Delaware.

17. **Intent To Comply With Code Section 409 A.** With respect to any amounts payable under this Agreement to which Section 409A of the Internal Revenue Code of 1986, as amended (the "Code") is determined to be applicable, and notwithstanding anything in this Agreement to the contrary, such payments shall be made only at a time and in a manner that complies with all applicable provision of Code

Section 409A. This Agreement is intended to comply with Code Section 409A and applicable Treasury Regulations or other guidance as may be issued by the Treasury Department or the Internal Revenue Service interpreting Code Section 409A so as to avoid the imposition of tax on Executive under Code Section 409A, including any transitional rules that may be set out in Internal Revenue Service notices, regulations or other guidance, and shall in all instances be interpreted in a manner consistent with such intent. The provisions of this Paragraph 17 are intended to be applicable only to payments under this Agreement that are treated as nonqualified deferred compensation subject to the provisions of Code Section 409A. This Paragraph 17 as included in this Agreement shall, therefore, be without effect as to any payments that are not nonqualified deferred compensation payments for purposes of Code Section 409A.

(a) In connection with the intent of this Paragraph 17, any payment that constitutes a nonqualified deferred compensation payment for purposes of Code Section 409A that would, but for this Paragraph 17, be in violation of the rule set forth in Code Section 409A(a)(2)(B)(i) (prohibiting payments to any “specified employee” before the date which is six months after such employee’s separation from service) shall be paid to Executive as soon as practicable following the six month anniversary of Executive’s termination of employment.

(b) In addition, any payment that constitutes a nonqualified deferred compensation payment for purposes of Code Section 409A that, but for this Paragraph 17, may be made either in a series of payments or in a single lump sum, shall in all events be made only in the form of a lump sum payment which payment shall be made to

Executive as soon as practicable on or after the first date as of which such payment may be made without violating the rules of Code Section 409A.

18. **Prior Employment Agreement.** Upon the execution of the Agreement by each party, the Prior Employment Agreement shall be null and void.

**IN WITNESS WHEREOF**, the undersigned have hereunto set their hands and seals the date and year above first written.

**FIRST BANK OF DELAWARE**

By:   
Its Executive Chairman

WARRY D. MADONNA  
[Print Name]

  
ALONZO J. PRIMUS