

**ROLE STATEMENT
OPERATIONAL RISK COMMITTEE
PEOPLE'S UNITED BANK BOARD OF DIRECTORS**

The Operational Risk Committee of the Board of Directors of People's United Bank (the "Committee") has been established pursuant to the Bank's bylaws and by resolution of the Board of Directors to assist the Board of Directors in fulfilling its responsibility to oversee the Bank's Operational Risk Management function and process.

The Committee shall meet six times a year, or at such other intervals as shall be established by the Committee.

The Committee shall consist of at least four members. Members, including the Committee Chairperson, shall be elected annually by the Board of Directors. The Chairperson of the Committee shall preside at meetings and shall report to the Board of Directors. Minutes of all meetings of the Committee shall be kept and recorded, and shall be provided to the entire Board at a subsequent Board meeting.

The Committee will review and approve this Role Statement on an annual basis.

Operational risk is defined as the current and prospective impact on earnings and capital resulting from inadequate or failed internal processes, people, and systems or from external events. They include risks arising from fraud, error, the inability to deliver products or services and manage information.

The primary responsibilities of the Committee are to:

- Receive updates and progress reports concerning the management of "highlighted risks." "Highlighted risks" are risks that contain elements that, in the opinion of management and/or the Committee, warrant an additional level of management reporting and oversight. An example of this is the core system conversion.
- Review the results of the examinations (or portions of examinations) of the Bank conducted by the Office of Thrift Supervision ("OTS") that relate to operational risk; oversee and monitor management's response thereto; and report as necessary to the full Board of Directors concerning the results of such examinations and the progress of management in implementing any corrective action.
- Review the results of internal audits that relate to operational risk and the appropriateness of management's response thereto; and report to the full Board of Directors concerning the results of such audits and the associated management responses.
- Receive periodic updates from management regarding specific operational risk-related topics including, but not limited to, information and physical security, business continuity and compliance.

- Receive annual updates on the Bank's vendor management program.
- Receive annual updates on the Bank's insurance policies that are in place and any changes from the prior year.
- Review on a semi-annual or quarterly basis a summary of the suspicious activity report ("SAR").