AUDIT COMMITTEE CHARTER OF LIFESTORE FINANCIAL GROUP, INC. AND SUBSIDIARIES

PURPOSE

The Audit Committee (the "Committee") of the Board of Directors (the "Board") of LifeStore Financial Group, Inc. and its subsidiaries, including LifeStore Bank, collectively, the "Company," assists the Board in fulfilling its independent oversight responsibilities for audit-related matters. The Committee provides oversight of the accounting and financial reporting process, internal control over financial reporting, the internal audit function, and the external audit process. In carrying out this purpose, the Committee reviews audit plans, audit reports, examination findings, significant control-related matters, and management's responses to audit or examination observations, as applicable.

The Committee shall remain independent of management and maintain direct communication with internal audit, external auditors, and other audit resources as needed to support effective Board-level audit oversight. Management is responsible for designing, implementing, and operating the Company's programs, processes, controls, and corrective action plans reviewed by the Committee.

AUTHORITY

The Audit Committee has authority to conduct or authorize investigations into any matters within its scope of responsibility. It is empowered to:

- Appoint, compensate, and oversee the work of any external accounting firm engaged by the Company.
- Resolve any disagreements between management and the auditor regarding financial reporting.
- Pre-approve all auditing and non-audit services.
- Retain independent counsel, accountants, or others to advise the Committee or assist in the conduct of an investigation.
- Seek any information it requires from employees, all of whom are directed to cooperate with the Committee's requests, or from external parties.
- Meet with Company officers, external auditors, or outside counsel, as necessary.

COMPOSITION

The Committee will consist of at least three and no more than six members of the Board. The Board or its nominating committee will appoint Committee members and the Committee Chair.

Each Committee member will be both independent and financially literate. An "independent" director is defined as an individual who meets the Nasdaq Stock Market's definition of independent director and does not own or control 10% or more of LifeStore Financial Group's voting stock, or such lower measurement as may be established by the SEC. Each member of the Audit Committee must be able to read and understand fundamental financial statements, including the Company's balance sheet, income statement, and cash flow statement. In addition, at least one member must have past employment experience in finance or accounting, a requisite professional certification in accounting, or other comparable experience or background that results in financial sophistication.

MEETINGS

The Committee will meet with sufficient frequency to fulfill its responsibilities under this Charter, and more frequently as circumstances dictate. The Committee shall meet periodically with management, internal auditors or other personnel responsible for the audit function, and the independent auditor privately in separate sessions.

Executive sessions shall be used to preserve the Committee's independence and provide direct communication with internal and external audit resources without management present when appropriate. A majority of the members of the Committee present in person or by telephone shall constitute a quorum.

The Committee may request any officer or employee of the Company, the Company's outside counsel, independent auditor, internal auditor, or other independent audit resource to attend a Committee meeting or to meet with any members of, or consultants to, the Committee.

RESPONSIBILITIES

The Committee will carry out the following responsibilities:

Financial Statements

- Review significant accounting and reporting matters, including complex or unusual transactions, highly judgmental areas, and recent professional or regulatory pronouncements, and understand their impact on the financial statements.
- Review with management and the external auditors the results of the audit, including any difficulties encountered.
- Review the annual financial statements and consider whether they are complete, consistent with information known to Committee members, and reflective of appropriate accounting principles.
- Review with management and the external auditors all matters required to be communicated to the Committee under auditing standards generally accepted in the United States of America.

Internal Control

- Review internal or external audit reports addressing internal control over financial reporting, including technology-related controls only when such controls are included within the scope of an audit.
- Review significant audit-related risk exposures identified through internal audit, external audit, independent review, or regulatory examination processes, together with management's responses and corrective action plans.
- Understand the scope of internal and external auditors' review of internal control over financial reporting, and obtain reports on significant findings and recommendations, together with management's responses.

Internal Audit

- Review with management and the Internal Auditor the internal audit charter, activities, staffing, independence, budget, outsourcing arrangements, and organizational structure of the internal audit function.

- Review and approve the annual internal audit plan, including outsourced internal audit engagements and material changes to the plan. The audit plan may include reviews of information technology, regulatory compliance, Bank Secrecy Act, credit risk, operations, or other areas when included within the scope of audit coverage.
- Ensure there are no unjustified restrictions or limitations, and review and concur in the appointment, replacement, or dismissal of the Internal Auditor.
- Review significant reports to management prepared by internal audit, or outsourced internal audits, and management's responses.
- At least once per year, review the performance of the Internal Auditor and ensure that the Internal Auditor is competent, is afforded continuing education opportunities, is independent of management and has clear lines of communication with the Committee Chair and the Committee.
- Review the effectiveness, independence, and objectivity of the internal audit function, including any outsourced internal audit providers.
- On a regular basis, meet separately with the Internal Auditor to discuss any matters that the Committee or internal audit believes should be discussed privately.

External Audit

- Review the external auditors' proposed audit and tax scope and approach, including coordination of audit effort with internal audit.
- Review the performance of the external auditors, and exercise final approval on the appointment or discharge of the auditors.
- Review and confirm the independence of the external auditors by obtaining statements from the auditors on relationships between the auditors and the Company, including non-audit services, and discussing the relationships with the auditors.
- Consult at least once per year with the external auditor regarding the fair presentation of the Company's financial statements, developments affecting the Company's external financial reporting, the status of the Company's internal control environment, the independence of the external auditor, and other matters required under generally accepted auditing standards.
- Meet with the external auditor virtually or in person, in executive session, without management present, as needed to support the Committee's independent audit oversight responsibilities.

Compliance-Related Audit Matters

- Review internal audit, external audit, and regulatory examination findings related to compliance matters, together with management's responses and corrective action plans.
- Review significant compliance-related audit findings or regulatory examination observations that may impact financial reporting, internal controls, or the overall audit plan.
- Review audit, examination, or complaint matters involving the Company's Code of Ethics Policy when those matters relate to accounting, internal accounting controls, financial reporting, or auditing.
- Establish procedures for the receipt, retention, and treatment of complaints received regarding accounting, internal accounting controls, or auditing matters and the confidential, anonymous submission by employees of concerns regarding accounting or auditing matters.

Reporting Responsibilities

- Regularly report to the Board about Committee activities, issues, and related recommendations and make reports available to the Board through the board portal when appropriate.
- Provide an open avenue of communication between internal audit, the external auditors, and the Board.

Other Responsibilities

- Perform other activities related to this Charter as requested by the Board.
- Review and assess the adequacy of this Charter periodically, request Board approval for proposed changes, and ensure appropriate disclosure as required by law or regulation.

Scope of Responsibility

- The Committee's role is one of independent oversight, carried out through the authority and responsibilities set forth in this Charter. Management is responsible for the preparation, presentation, and integrity of the Company's financial statements and for designing, implementing, and maintaining appropriate accounting, financial reporting, internal control, and compliance processes. The independent auditors are responsible for planning and conducting the audit and expressing an opinion on the Company's financial statements.
- In carrying out their duties, Committee members may rely on information, opinions, reports, and statements, including financial statements and other financial data, prepared or presented by officers, employees, legal counsel, accountants, auditors, and other advisors, absent actual knowledge that would make such reliance unwarranted.
- The Committee may conduct or authorize investigations, request explanations, and obtain advice from management, outside counsel, auditors, or other appropriate parties when it determines such action is necessary or appropriate within the scope of this Charter. Management remains responsible for day-to-day compliance with applicable laws and regulations.
- The duties and responsibilities of Committee members under this Charter supplement their duties as members of the Board and support the Board's overall governance and oversight responsibilities.