

**AMENDED AND RESTATED
AGREEMENT AND PLAN OF MERGER AND REORGANIZATION
DATED AS OF APRIL 10, 2017
BY AND AMONG
WEST TOWN BANCORP, INC.,
WEST TOWN BANK & TRUST, SBC INTERIM BANK
AND
SOUND BANKING COMPANY**

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AMENDED AND RESTATED

AGREEMENT AND PLAN OF MERGER AND REORGANIZATION

This AMENDED AND RESTATED AGREEMENT AND PLAN OF MERGER AND REORGANIZATION (this “Agreement”) is dated as of April 10, 2017, by and between West Town Bancorp, Inc., a North Carolina corporation with its principal office in Raleigh, North Carolina (“West Town”), SBC Interim Bank, an interim bank organized under North Carolina law and wholly owned subsidiary of West Town (“Interim Bank”), West Town Bank & Trust, an Illinois-chartered state bank and wholly owned subsidiary of West Town (“WTBT”), and Sound Banking Company, a North Carolina state-chartered bank with its principal office in Morehead City, North Carolina (“Sound Bank”).

RECITALS

WHEREAS, West Town, WTBT and Sound Bank previously entered into an Agreement and Plan of Merger and Reorganization dated February 16, 2017 (the “Original Agreement”), pursuant to which West Town would acquire Sound Bank through the merger of Sound Bank with and into WTBT;

WHEREAS, in accordance with Section 9.02 of the Original Agreement, the parties have determined to amend the Original Agreement to change the structure of West Town’s acquisition of Sound Bank such that Sound Bank will be merged with and into Interim Bank (the “Merger”), with Interim Bank as the surviving bank in the Merger and being renamed “Sound Bank”;

WHEREAS, this Agreement amends and restates the Original Agreement in its entirety to effectuate and memorialize the change in Merger structure;

WHEREAS, the respective boards of directors of each of West Town, WTBT, Interim Bank and Sound Bank have (i) determined that this Agreement and the business combination and related transactions contemplated hereby are in the best interests of their respective entities and shareholders; (ii) determined that this Agreement and the transactions contemplated hereby are consistent with and in furtherance of their respective business strategies; and (iii) approved this Agreement and, in accordance with the provisions of this Agreement, will recommend approval of this Agreement to their shareholders;

WHEREAS, as a material inducement and as additional consideration to enter into this Agreement, certain of the directors and Executive Officers of Sound Bank have entered into support agreements with West Town, dated as of the date hereof (each, a “Support Agreement” and collectively, the “Support Agreements”), pursuant to which each such person has agreed, among other things, to vote all shares owned by such person in favor of the approval of this Agreement, including the plan of merger contained herein and the transactions contemplated hereby, upon the terms and subject to the conditions set forth in this Agreement; and

WHEREAS, West Town, WTBT, Interim Bank and Sound Bank desire to make certain representations, warranties and agreements in connection with the transactions described in this Agreement and to prescribe certain conditions thereto.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual promises herein contained and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, West Town, WTBT, Interim Bank and Sound Bank agree as follows:

ARTICLE I THE MERGER

Section 1.01 The Merger. Subject to the terms and conditions of this Agreement, at the Effective Time, and in accordance with Chapter 53C and Chapter 55 of the North Carolina General Statutes (“NCGS”), Sound Bank shall merge with and into Interim Bank. At the Effective Time, the separate corporate existence of Sound Bank shall cease, and Interim Bank shall be the surviving bank (the “Surviving Bank”) but will change its name to Sound Bank and continue to exist as a banking corporation chartered under the laws of the State of North Carolina. The Merger shall have the effects set forth in Section 53C-7-205 and Section 55-11-06 of the NCGS. The main office of the Surviving Bank shall be 5039 Executive Drive, Morehead City, North Carolina, 28557.

Section 1.02 Charter and Bylaws of the Surviving Bank; Name Change.

(a) The articles of incorporation of Interim Bank in effect immediately prior to the Effective Time shall be the articles of incorporation of the Surviving Bank from and after the Effective Time, with the exception that the articles of incorporation of the Surviving Bank shall be amended to change the name of the Surviving Bank to “Sound Bank.”

(b) The Bylaws of Interim Bank in effect immediately prior to the Effective Time shall be the Bylaws of the Surviving Bank from and after the Effective Time until otherwise amended or repealed.

Section 1.03 Directors and Officers of the Surviving Bank; Appointments to WTBT and West Town Boards.

(a) Immediately after the Effective Time, the board of directors of the Surviving Bank shall be composed of the following individuals: (i) those individuals serving as directors of Sound Bank immediately prior to the Effective Time (which shall not exceed ten (10) individuals) and (ii) Marc H. McConnell and Eric J. Bergevin (the “Surviving Bank Appointees”); *provided, however*, should either of the Surviving Bank Appointees become unwilling or unable to serve on the Surviving Bank’s board of directors, then West Town shall select a substitute appointee from the membership of West Town’s board of directors immediately prior to the Effective Time to be appointed to the Surviving Bank’s board of directors as a replacement for such individual. Prior to the Effective Time, Interim Bank shall take all necessary corporate action, if any, to effectuate the forgoing board appointments to the Surviving Bank’s board of directors to be effective immediately following the Effective Time.

(b) Immediately after the Effective Time, the officers of the Surviving Bank shall be those individuals serving as officers of Sound Bank immediately prior to the Effective Time, together with such additional persons as may thereafter be appointed in accordance with the

Surviving Bank's Bylaws, with the exception that (i) Eric J. Bergevin shall be the chief executive officer of the Surviving Bank and (ii) S. Phillip Collins shall be the president of the Surviving Bank.

(c) Prior to the Effective Time, WTBT's board of directors shall take action, which action will be effective immediately following the Effective Time, to increase the size of its board of directors by two (2) members and fill the resulting vacancies on the WTBT board by appointing S. Phillip Collins and Malcolm C. Garland (the "WTBT Appointees"); *provided, however*, should either of the WTBT Appointees become unwilling or unable to serve on the WTBT's board of directors, then West Town shall select a substitute appointee from the membership of Sound Bank's board of directors immediately prior to the Effective Time to be appointed to the WTBT board of directors as a replacement for such individual. Prior to the Effective Time, WTBT shall take all necessary corporate action to effectuate the forgoing board appointments to WTBT's board of directors to be effective immediately following the Effective Time.

(d) Prior to the Effective Time, West Town's board of directors shall take action, which action will be effective immediately following the Effective Time, to increase the size of its board of directors by four (4) members and fill the resulting vacancies on the West Town board by appointing four individuals selected by West Town from the membership of Sound Bank's board of directors immediately prior to the Effective Time (the "West Town Appointees"). Following the Effective Time, at West Town's first meeting of shareholders at which directors are elected, West Town's board of directors will nominate each of those four West Town Appointees for reelection as a director for a one, two or three-year term consistent with West Town's bylaws and applicable Law.

(e) To the extent the Anchor Investor so elects, West Town, Surviving Bank and WTBT will also appoint the Anchor Investor Appointee to their respective board of directors.

(f) All of the foregoing appointments to the respective board of directors of each of the parties are subject in each case to any required regulatory approvals and the articles of incorporation and bylaws of the respective party.

Section 1.04 Reserved.

Section 1.05 Effective Time; Closing.

(a) Subject to the terms and conditions of this Agreement, West Town, Interim Bank and Sound Bank will make all such filings as may be required to consummate the Merger under applicable Laws. The Merger shall become effective as set forth in the articles of merger (the "Articles of Merger") that shall be filed with the North Carolina Secretary of State in connection with the Merger. The "Effective Time" of the Merger shall be the date and time when the Merger becomes effective under the Articles of Merger or such later date as may be agreed among the parties hereto.

(b) The closing of the Merger (the "Closing") shall take place immediately prior to the Effective Time at the office of West Town located at 8450 Falls of Neuse Road, Raleigh, North Carolina 27615, or such other place or on such other date as West Town and Sound Bank may mutually agree (such date, the "Closing Date"). At the Closing, there shall be delivered to West

Town, Interim Bank, WTBT and Sound Bank the certificates and other documents required to be delivered under ARTICLE VI hereof.

Section 1.06 Additional Actions. If, at any time after the Effective Time, the Surviving Bank shall consider or be advised that any further deeds, documents, assignments or assurances in law or any other acts are necessary or desirable to (a) vest, perfect or confirm, of record or otherwise, in the Surviving Bank its right, title or interest in, to or under any of the rights, properties or assets of Sound Bank or any Subsidiary of Sound Bank, or (b) otherwise carry out the purposes of this Agreement, Sound Bank and its officers and directors shall be deemed to have granted to West Town and Interim Bank, and each or either of them, an irrevocable power of attorney to execute and deliver, in such official corporate capacities, all such deeds, assignments or assurances in law or any other acts as are necessary or desirable to (i) vest, perfect or confirm, of record or otherwise, in the Surviving Bank its right, title or interest in, to or under any of the rights, properties or assets of Sound Bank or any Subsidiary of Sound Bank, or (ii) otherwise carry out the purposes of this Agreement, and the officers and directors of the Surviving Bank, as applicable, are authorized in the name of Sound Bank or otherwise to take any and all such action.

ARTICLE II MERGER CONSIDERATION; EXCHANGE PROCEDURES

Section 2.01 Merger Consideration. Subject to the provisions of this Agreement, at the Effective Time, automatically by virtue of the Merger and without any further action on the part of West Town, Interim Bank, Sound Bank or any holder of the below securities:

(a) Each share of West Town Common Stock that is issued and outstanding immediately prior to the Effective Time shall remain outstanding following the Effective Time and shall be unchanged by the Merger.

(b) Each share of Sound Bank Common Stock owned by West Town, Interim Bank or any of their respective Subsidiaries (other than shares held in trust accounts, managed accounts and the like for the benefit of customers or shares held as collateral for outstanding debt previously contracted) immediately prior to the Effective Time shall be cancelled and retired at the Effective Time without any conversion thereof, and no payment shall be made with respect thereto.

(c) Each share of Sound Bank Common Stock that is issued and outstanding immediately prior to the Effective Time (other than Appraisal Shares and shares described in Section 2.01(b) above) shall be converted, at the election of the holder thereof in accordance with the procedures set forth in Section 2.05, into the right to receive one of the following: (i) cash in the amount of Twelve Dollars and Seventy-Five Cents (\$12.75) (the "Cash Consideration"); (ii) 0.6000 shares of West Town Common Stock (the "Exchange Ratio"), *provided, however*, if the Average Market Value of West Town Common Stock on the Business Day immediately preceding the Closing Date is greater than \$27.75, the Exchange Ratio will be automatically reduced to a level such that the product of the Exchange Ratio, as so reduced, and the Average Market Value on the Business Day immediately preceding the Closing Date is as nearly as equal as possible to, but does not exceed, \$16.65 (the "Stock Consideration"); or (iii) a combination of the Cash Consideration and Stock Consideration in such proportions as requested by a Sound Bank shareholder, to the extent available after the proration of the total Merger Consideration to 35%

Cash Consideration and 65% Stock Consideration (the "Mixed Consideration") (items (i), (ii), or (iii) referred to herein individually as the "Per Share Purchase Price" and collectively as the "Merger Consideration"). If, between the date hereof and the Effective Time, the outstanding shares of Sound Bank Common Stock are increased, decreased, changed into or exchanged for a different number or kind of shares or securities as a result of a reorganization, recapitalization, reclassification, stock dividend, stock split, reverse stock split or other similar change in capitalization, an appropriate and proportionate adjustment shall be made to the Per Share Purchase Price; *provided that*, for the avoidance of doubt, no such adjustment shall be made with regard to the Per Share Purchase Price if Sound Bank issues Sound Bank Common Stock upon the exercise or vesting of stock options ("Stock Options") granted prior to the date hereof by Sound Bank under the Sound Bank 2002 Employee Stock Incentive Plan, the Sound Bank 2002 Director Stock Incentive Plan and the Sound Bank 2013 Equity Incentive Plan (collectively, the "Sound Bank Plans").

(d) Each share of Interim Bank Common Stock that is issued and outstanding immediately prior to the Effective Time shall remain outstanding following the Effective Time and shall be unchanged by the Merger, and West Town shall remain the sole shareholder of Interim Bank as the Surviving Bank in the Merger.

Section 2.02 Rights as Shareholders; Stock Transfers. All shares of Sound Bank Common Stock issued and outstanding immediately prior to the Effective Time, when converted as provided in Section 2.01(c), shall no longer be outstanding and shall automatically be cancelled and retired and shall cease to exist, and each Certificate or Book-Entry Share notation previously evidencing such shares shall thereafter represent only the right to receive for each such share of Sound Bank Common Stock, the Merger Consideration in accordance with this ARTICLE II. At the Effective Time, holders of Sound Bank Common Stock prior to the Effective Time (other than holders of Appraisal Shares) shall cease to be, and shall have no rights as, shareholders of Sound Bank, other than the right to receive the Merger Consideration under this ARTICLE II. After the Effective Time, there shall be no registration of transfers on the stock transfer books of Sound Bank of shares of Sound Bank Common Stock that were issued and outstanding immediately prior to the Effective Time.

Section 2.03 Fractional Shares. Notwithstanding any other provision hereof, no fractional shares of West Town Common Stock and no certificates or scrip therefor, or other evidence of ownership thereof, will be issued in the Merger. In lieu thereof, West Town shall pay or cause to be paid to each holder of Sound Bank Common Stock who would otherwise be entitled to a fractional share of West Town Common Stock an amount of cash (without interest and rounded to the nearest cent) determined by multiplying such fractional share interest in West Town Common Stock (rounded to the nearest ten thousandth of a share) by the Average Market Value as of the Closing Date.

Section 2.04 Plan of Reorganization. It is intended that the Merger will constitute a reorganization within the meaning of Section 368(a) of the Internal Revenue Code of 1986, as amended (the "Code"), and that this Agreement will constitute a "plan of reorganization" as that term is used in Sections 354 and 361 of the Code and the Treasury Regulations promulgated thereunder. The business purpose of the Merger is to combine two financial institutions to create a stronger community-based commercial banking franchise. From and after the date of this

Agreement and until the Closing, each party hereto shall cooperate and use its reasonable best efforts to cause the Merger to qualify as a reorganization under Section 368(a) of the Code.

Section 2.05 Election and Proration Procedures.

(a) As promptly as practicable after the Effective Time, but in any event no later than five (5) Business Days after the Effective Time, an election form (an “Election Form”), together with the transmittal materials described in Section 2.06 below, shall be mailed to each holder of Sound Bank Common Stock of record at the Effective Time by the Exchange Agent. Sound Bank shall provide all information reasonably necessary for the Exchange Agent to perform its obligations as specified herein.

(b) Each Election Form shall entitle the holder of Sound Bank Common Stock (or the beneficial owner through appropriate and customary documentation and instructions) to elect to receive (i) the Stock Consideration for all of such holder’s shares (a “Stock Election”), (ii) the Cash Consideration for all of such holder’s shares (a “Cash Election”), or (iii) the Mixed Consideration for all of such holder’s shares, subject to proration as set forth in Section 2.05(d) (a “Mixed Election”). Holders of Sound Bank Common Stock may also make no election (a “Non-Election”). Holders of record of Sound Bank Common Stock who hold such shares as nominees, trustees or in another representative capacity (each, a “Holder Representative”) may submit multiple Election Forms, provided that such Holder Representative certifies that each such Election Form covers all of the shares of Sound Bank Common Stock held by that Holder Representative for a particular beneficial owner. The shares of Sound Bank Common Stock as to which a Stock Election has been made (including pursuant to a Mixed Election) are referred to herein as “Stock Election Shares” and the aggregate number thereof is referred to herein as the “Stock Election Number.” The shares of Sound Bank Common Stock as to which a Cash Election has been made (including pursuant to a Mixed Election) are referred to herein as “Cash Election Shares” and the aggregate number thereof is referred to as the “Cash Election Number.” Shares of Sound Bank Common Stock as to which no election has been made (or as to which an Election Form is not properly completed or returned in a timely fashion) are referred to as “Non-Election Shares.”

(c) To be effective, a properly completed Election Form must be received by the Exchange Agent on or before 4:00 p.m., local time on such date as the parties may mutually agree (the “Election Deadline”), but in no event later than 45 calendar days following the Effective Time. An election shall have been properly made only if the Exchange Agent shall have actually received a properly completed Election Form by the Election Deadline. An Election Form shall be deemed properly completed only if accompanied by duly completed transmittal materials and, in the case of shares held in certificated form, the Certificate(s) representing all shares of Sound Bank Common Stock covered by such Election Form, or the guaranteed delivery of such Certificates (or customary affidavits and, if required by West Town or its Exchange Agent, indemnification regarding the loss or destruction of such Certificates). For the holders of Sound Bank Common Stock who make a Non-Election, West Town (or the Exchange Agent acting on its behalf) shall have the authority, subject to proration as set forth in Section 2.05(d), to determine the type of consideration constituting the Per Share Purchase Price to be exchanged for the Non-Election Shares. Any Sound Bank shareholder may at any time prior to, but not after, the Election Deadline change such holder’s election by written notice received by the Exchange Agent prior to the

Election Deadline accompanied by a properly completed and signed revised Election Form. Any Sound Bank shareholder may, at any time prior to the Election Deadline, revoke such holder's election by written notice received by the Exchange Agent prior to the Election Deadline or, in the case of shares held in certificated form, by withdrawal prior to the Election Deadline of such holder's Certificates or of the guarantee of delivery of such Certificates. If a Sound Bank shareholder either (i) does not submit a properly completed Election Form by the Election Deadline or (ii) revokes such holder's Election Form prior to the Election Deadline but does not submit a new properly executed Election Form prior to the Election Deadline, the shares of Sound Bank Common Stock held by such Sound Bank shareholder shall be designated as Non-Election Shares. Subject to the terms of this Agreement and the Election Form, the Exchange Agent shall have reasonable discretion to determine whether any election, revocation or change has been properly made and to disregard immaterial defects in any Election Form, and any good faith decisions of the Exchange Agent regarding such matters shall be binding and conclusive.

(d) Subject to Section 2.05(d)(ii) below, the number of shares of Sound Bank Common Stock to be converted into the right to receive the Cash Consideration shall equal 35% of the number of shares of Sound Bank Common Stock outstanding immediately prior to the Effective Time (the "Aggregate Cash Limit"), and the number of shares of Sound Bank Common Stock to be converted into the right to receive the Stock Consideration shall equal 65% of the number of shares of Sound Bank Common Stock outstanding immediately prior to the Effective Time (the "Aggregate Stock Limit").

(i) if the Stock Election Number exceeds the Aggregate Stock Limit, then all Cash Election Shares and all Non-Election Shares shall be converted into the right to receive the Cash Consideration, and each Stock Election Share shall be converted into the right to receive (A) the Stock Consideration in respect of that number of Stock Election Shares equal to the product obtained by multiplying (1) the number of Stock Election Shares held by such holder by (2) a fraction, the numerator of which is the Aggregate Stock Limit and the denominator of which is the Stock Election Number and (B) the Cash Consideration for those Stock Election Shares that were not converted into the right to receive Stock Consideration as a result of the Stock Election Number exceeding the Aggregate Stock Limit;

(ii) subject to its obligations under Section 5.02(r) of this Agreement, if the Cash Election Number exceeds the Aggregate Cash Limit, West Town shall have the unilateral right, but not the obligation, to accept a number of such Cash Election Shares that is greater than the Aggregate Cash Limit, provided that to the extent that West Town chooses not to exercise such discretion, then all Stock Election Shares and all Non-Election Shares shall be converted into the right to receive the Stock Consideration, and each Cash Election Share shall be converted into the right to receive (A) the Cash Consideration in respect of that number of Cash Election Shares equal to the product obtained by multiplying (1) the number of Cash Election Shares held by such holder by (2) a fraction, the numerator of which is the Aggregate Cash Limit (as it may be adjusted upward by West Town) and the denominator of which is the Cash Election Number and (B) the Stock Consideration for those Cash Election Shares which were not converted into the right to receive Cash Consideration as a result of the Cash Election Number exceeding the Aggregate Cash Limit; and

(iii) if the Stock Election Number and the Cash Election Number do not exceed the Aggregate Stock Limit and the Aggregate Cash Limit, respectively, then (i) all Cash Election Shares shall be converted into the right to receive the Cash Consideration, (ii) all Stock Election Shares shall be converted into the right to receive the Stock Consideration, and (iii) all Non-Election Shares shall be converted into the right to receive the Cash Consideration and/or the Stock Consideration such that the aggregate number of shares of Sound Bank Common Stock entitled to receive the Cash Consideration is equal to the Aggregate Cash Limit and the aggregate number of shares of Sound Bank Common Stock entitled to receive the Stock Consideration is equal to the Aggregate Stock Limit; and

(iv) Notwithstanding the formulae set forth in the preceding subsections of this Section 2.05(d), West Town and the Exchange Agent may adjust the calculations contained therein or apply an alternative proration procedure (provided that such adjustments or alternative proration procedures are done proportionately and in a manner deemed by West Town and Exchange Agent to be fair and reasonable to Sound Bank's shareholders who would be affected thereby) to achieve the intended result that 35% of the shares of the Sound Bank Common Stock be converted into the Cash Consideration and 65% of the shares of Sound Bank Common Stock be converted into the Stock Consideration.

Section 2.06 Exchange Procedures.

(a) Promptly after the Effective Time, West Town shall deposit with the Exchange Agent, for exchange in accordance with this Section 2.06, the Merger Consideration and cash in an aggregate amount sufficient for payment in lieu of fractional shares of West Town Common Stock to which holders of Sound Bank Common Stock may be entitled pursuant to Section 2.03 (collectively, the "Exchange Fund"). In the event the cash in the Exchange Fund shall be insufficient to fully satisfy all of the payment obligations to be made by the Exchange Agent hereunder (including pursuant to Section 2.03), West Town shall promptly make available to the Exchange Agent the additional amounts so required to satisfy such payment obligations in full. The Exchange Agent shall deliver the Merger Consideration and cash in lieu of any fractional shares of West Town Common Stock out of the Exchange Fund. Except as contemplated by this Section 2.06 and Section 2.08, the Exchange Fund will not be used for any other purpose.

(b) Unless different timing is agreed to by West Town and Sound Bank, as soon as reasonably practicable after the Effective Time, but in any event no more than five (5) Business Days after the Effective Time, West Town shall cause the Exchange Agent to mail to the former shareholders of Sound Bank appropriate transmittal materials (which shall specify that delivery shall be effected, and risk of loss and title to any Certificates theretofore representing shares of Sound Bank Common Stock shall pass, only upon proper delivery of such Certificate(s) to the Exchange Agent). In the event of a transfer of ownership of shares of Sound Bank Common Stock represented by one or more Certificates that are not registered in the transfer records of Sound Bank, the Per Share Purchase Price payable for such shares as provided in Section 2.01 and Section 2.05 may be issued to a transferee if the Certificate or Certificates representing such shares are delivered to the Exchange Agent, accompanied by all documents required to evidence such transfer and by evidence reasonably satisfactory to the Exchange Agent that such transfer is proper and that any applicable stock transfer taxes have been paid. In the event any Certificate representing Sound Bank Common Stock shall have been lost, mutilated, stolen, or destroyed, upon the making

of an affidavit of that fact by the person claiming such Certificate to be lost, stolen, mutilated, or destroyed and the posting by such person of a bond in such amount as West Town (or its Exchange Agent) may reasonably direct as indemnity against any claim that may be made against it with respect to such Certificate, the Exchange Agent shall issue in exchange for such lost, mutilated, stolen, or destroyed Certificate the Per Share Purchase Price as provided for in Section 2.01 and Section 2.05. The Exchange Agent may establish such other reasonable and customary rules and procedures in connection with its duties as it may deem appropriate. West Town shall pay all charges and expenses, including those of the Exchange Agent, in connection with the distribution of the Per Share Purchase Price as provided in Section 2.01 and 2.05.

(c) Unless different timing is agreed to by West Town and Sound Bank, after the Effective Time, each holder of shares of Sound Bank Common Stock (other than those shares referenced in Section 2.01(b) and other than Appraisal Shares) issued and outstanding at the Effective Time shall surrender such shares to the Exchange Agent (together with, in the case of certificated shares, the Certificate(s)) and shall promptly upon surrender thereof receive in exchange therefor the consideration provided in Section 2.01 and Section 2.05, without interest. The Certificate(s) of Sound Bank Common Stock so surrendered shall, if the Exchange Agent so requires, be duly endorsed as the Exchange Agent may reasonably require. West Town and Interim Bank shall not be obligated to deliver the consideration to which any former holder of Sound Bank Common Stock is entitled as a result of the Merger until such holder completes the transmittal materials to surrender such holder's shares and, if such shares are certificated, delivers the Certificate(s) for exchange as provided in this Section 2.06 (or affidavit of loss in lieu thereof and accompanying indemnity or bond as provided in Section 2.06(b)). Similarly, no dividends or other distributions in respect of the West Town Common Stock is required to be paid to any holder of any unsurrendered, certificated shares of Sound Bank Common Stock until the Certificate(s) (or affidavit of loss in lieu thereof and accompanying indemnity or bond as provided in Section 2.06(b)) are surrendered for exchange as provided in this Section 2.06. However, any such unpaid dividends or other distributions shall be accumulated and, upon surrender of such Certificates to the Exchange Agent, such unpaid dividends or other distributions shall be paid to the holder of such Certificates. Any other provision of this Agreement notwithstanding, none of West Town or any Subsidiary, Sound Bank or the Exchange Agent shall be liable to any holder of Sound Bank Common Stock for any amounts paid or properly delivered in good faith to a public official pursuant to any applicable abandoned property, escheat, or similar Law.

(d) Each of West Town, Interim Bank and the Exchange Agent shall be entitled to deduct and withhold from the consideration otherwise payable pursuant to this Agreement to any holder of shares of Sound Bank Common Stock such amounts, if any, as it is required to deduct and withhold with respect to the making of such payment under the Code or any provision of state, local, or foreign Tax Law or by any taxing authority or Governmental Authority. To the extent that any amounts are so withheld by West Town, Interim Bank or the Exchange Agent, as the case may be, and paid by it to any such taxing authority or Governmental Authority, such withheld amounts so paid shall be treated for all purposes of this Agreement as having been paid to the holder of the shares of Sound Bank Common Stock, as applicable in respect of which such deduction and withholding was made by West Town, the Surviving Bank or the Exchange Agent, as the case may be.

(e) Any portion of the Merger Consideration and cash delivered to the Exchange Agent by West Town pursuant to Section 2.06(a) that remains unclaimed by the holder of shares of Sound Bank Common Stock for nine months after the Effective Time (as well as any proceeds from any investment thereof) shall be delivered by the Exchange Agent to West Town. Any holder of shares of Sound Bank Common Stock who has not theretofore complied with Section 2.06(c) shall thereafter look only to West Town for the consideration deliverable in respect of each share of Sound Bank Common Stock such holder holds as determined pursuant to this Agreement without any interest thereon. Neither the Exchange Agent nor any party to this Agreement shall be liable to any holder of Sound Bank Common Stock for any consideration paid to a Governmental Authority pursuant to applicable abandoned property, escheat or similar laws. West Town and the Exchange Agent shall be entitled to rely upon the stock transfer books of Sound Bank to establish the identity of those persons entitled to receive the consideration specified in this Agreement, which books shall be conclusive with respect thereto. In the event of a dispute with respect to ownership of stock represented by any Certificate(s) or Book-Entry Shares, West Town and the Exchange Agent shall be entitled to deposit any consideration represented thereby in escrow with an independent third party and thereafter be relieved with respect to any claims thereto.

(f) Adoption of this Agreement by the shareholders of Sound Bank shall constitute ratification of the appointment of the Exchange Agent.

Section 2.07 Anti-Dilution Provisions. In the event West Town changes (or establishes a record date for changing) the number of, or provides for the exchange of, shares of West Town Common Stock issued and outstanding prior to the Effective Time as a result of a stock split, reverse stock split, stock dividend, recapitalization, reclassification, or similar transaction with respect to the outstanding West Town Common Stock, the Exchange Ratio shall be proportionately and appropriately adjusted; *provided* that, for the avoidance of doubt, no such adjustment shall be made with regard to the West Town Common Stock if (i) West Town issues additional shares of West Town Common Stock and receives consideration for such shares in a bona fide third party transaction (including, without limitation, pursuant to the Private Placement referred to in Section 4.30 hereof), or (ii) West Town issues employee or director stock options, grants or similar equity awards of West Town Common Stock, or shares of West Town Common Stock upon exercise or vesting of any such options, grants or awards, in the Ordinary Course of Business.

Section 2.08 Appraisal Rights. Each holder of shares of Sound Bank Common Stock shall be entitled to exercise appraisal rights in accordance with and as contemplated by Section 55-13-02 of the North Carolina Business Corporation Act (“NCBCA”). Any holder of shares of Sound Bank Common Stock who perfects his, her or its appraisal rights (the aggregate shares held by all such holders constituting the “Appraisal Shares”) shall be entitled to receive the fair value of such shares in cash as determined pursuant to the provisions of Article 13 of the NCBCA; *provided, however*, that no such payment shall be made to any shareholder asserting appraisal rights unless and until such shareholder has complied with all applicable provisions of the NCBCA and surrendered to Sound Bank (or, as applicable, the Surviving Bank) the Certificate or Certificates (if such shares are in certificated form) representing the shares for which payment is being made. In the event that, whether before or after the Effective Time, a shareholder of Sound Bank asserting appraisal rights fails to perfect, or effectively withdraws or loses, such holder’s right to appraisal of and payment for such holder’s shares, West Town shall issue and deliver, or cause to be delivered, the Merger Consideration to which such holder of shares of Sound Bank

Common Stock is entitled under this ARTICLE II (without interest), upon surrender by such holder of the Certificate or Certificates (if such shares are in certificated form) representing shares of Sound Bank Common Stock held by such holder.

Section 2.09 Conversion of Stock Options

(a) At the Effective Time, all rights with respect to Sound Bank Common Stock pursuant to stock options (the “Sound Bank Options”) granted by Sound Bank under the Sound Bank 2002 Employee Stock Incentive Plan, the Sound Bank 2002 Director Stock Incentive Plan, and the Sound Bank 2013 Equity Incentive Plan (collectively, the “Sound Bank Plans”), which are outstanding at the Effective Time, whether or not exercisable, shall become fully vested and be converted into and become rights with respect to West Town Common Stock, and West Town shall assume each Sound Bank Option in accordance with the terms of the Sound Bank Plans and the agreement by which it is evidenced. From and after the Effective Time, (i) each Sound Bank Option assumed by West Town may be exercised solely for shares of West Town Common Stock, (ii) the number of shares of West Town Common Stock subject to each former Sound Bank Option shall be equal to the product of the number of shares of Sound Bank Common Stock subject to such Sound Bank Option immediately prior to the Effective Time multiplied by the Exchange Ratio, and rounding down, if necessary, any fractional amount to the nearest whole share, and (iii) the per share exercise price under each such Sound Bank Option shall be adjusted by dividing the per share exercise price under each such Sound Bank Option by the Exchange Ratio and rounding up, if necessary, any fractional amount to the nearest cent. Sound Bank agrees to take all necessary steps to effectuate the foregoing provisions of this Section 2.09.

(b) Shares of West Town Common Stock to be issued upon exercise of any Sound Bank Option will not be registered under the Securities Act and may not be sold or otherwise transferred unless they are registered under the Securities Act or an exemption from such registration is available.

ARTICLE III REPRESENTATIONS AND WARRANTIES OF SOUND BANK

Section 3.01 Making of Representations and Warranties.

(a) On February 16, 2017 (“the Disclosure Date”), Sound Bank delivered to West Town and to WTBT a schedule (the “Sound Bank Disclosure Schedule”) setting forth, among other things, items the disclosure of which were, and are, necessary or appropriate either in response to an express disclosure requirement contained in a provision hereof or as an exception to one or more representations or warranties contained in ARTICLE III or to one or more of its covenants contained in ARTICLE V; *provided, however*, that nothing in the Sound Bank Disclosure Schedule shall be deemed adequate to disclose an exception to a representation or a warranty unless such schedule identifies the exception with reasonable particularity and describes the relevant facts in reasonable detail. Any item of disclosure that is set forth on a schedule in response to an express disclosure requirement contained in a provision of this Agreement, or that otherwise is provided as an exception to a representation or warranty contained herein, and that is necessary or appropriate in response to another express disclosure requirement or that is an exception to one or more other representations or warranties, shall be considered to have been

adequately disclosed for purposes of all other schedules, representations and warranties if it is set forth on one schedule and a specific reference or cross-reference to that disclosure is provided on each other schedule, or with respect to each other representation or warranty, to which that item of disclosure relates.

(b) Except as set forth in the Sound Bank Disclosure Schedule, Sound Bank represents and warrants to West Town, WTBT and Interim Bank that the statements contained in this ARTICLE III were correct as of the Disclosure Date, are correct as of the date of this Agreement and will be correct as of the Closing Date (as though made on and as of the Closing Date), except as to any representation or warranty that specifically speaks as of a specific date (including without limitation representations made as of “the date hereof”), which only need be correct as of such specific date.

Section 3.02 Organization, Standing and Authority. Sound Bank is a banking corporation duly organized, validly existing and in good standing under the laws of the State of North Carolina. Sound Bank has full corporate power and authority to carry on its business as now conducted. Sound Bank has full power and authority (including all licenses, franchises, permits and other governmental authorizations which are legally required) to own, lease and operate its properties, to engage in the business and activities now conducted by it. Sound Bank’s deposits are insured by the FDIC in the manner and to the full extent provided by applicable Law, and all premiums and assessments required to be paid in connection therewith have been paid by Sound Bank when due.

Section 3.03 Capital Stock. The authorized capital stock of Sound Bank consists of 10,000,000 shares of Sound Bank Common Stock and 12,000,000 shares of preferred stock. As of the date of this Agreement, there are 1,696,577 shares of Sound Bank Common Stock outstanding and no shares of preferred stock outstanding. There are no shares of Sound Bank Common Stock held by Sound Bank’s Subsidiaries. The outstanding shares of Sound Bank Common Stock are duly authorized and validly issued and fully paid and non-assessable, and have not been issued in violation of nor are they subject to preemptive rights of any Sound Bank shareholder. Sound Bank Disclosure Schedule Section 3.03 sets forth the name and address, as reflected on the books and records of Sound Bank as of January 3, 2017, of each record holder of outstanding Sound Bank Common Stock, and the number of shares held by each such record holder as of such date. There are no outstanding shares of capital stock of any class, or any options, warrants or other similar rights, convertible or exchangeable securities, “phantom stock” rights, stock appreciation rights, stock based performance units, agreements, arrangements, commitments or understandings to which Sound Bank is a party, whether or not in writing, of any character relating to the issued or unissued capital stock or other securities of Sound Bank or any of Sound Bank’s Subsidiaries or obligating Sound Bank or any of Sound Bank’s Subsidiaries to issue (whether upon conversion, exchange or otherwise) or sell any share of capital stock of, or other equity interests in or other securities of, Sound Bank or any of Sound Bank’s Subsidiaries other than those listed in Sound Bank Disclosure Schedule Section 3.03. All shares of Sound Bank Common Stock subject to issuance as set forth in this Section 3.03 or Sound Bank Disclosure Schedule Section 3.03 shall, upon issuance on the terms and conditions specified in the instruments pursuant to which they are issuable, be duly authorized, validly issued, fully paid and nonassessable, and not issued in violation of or be subject to preemptive rights in favor of any person. There are no obligations, contingent or otherwise, of Sound Bank or any of Sound Bank’s

Subsidiaries to repurchase, redeem or otherwise acquire any shares of Sound Bank Common Stock or capital stock of any of Sound Bank's Subsidiaries or any other securities of Sound Bank or any of Sound Bank's Subsidiaries or to provide funds to or make any investment (in the form of a loan, capital contribution or otherwise) in any such Subsidiary or any other entity. Other than the Support Agreements, to Sound Bank's Knowledge, there are no agreements, arrangements or other understandings with respect to the voting of Sound Bank's capital stock. All of the outstanding shares of capital stock of each of Sound Bank's Subsidiaries are duly authorized, validly issued, fully paid and nonassessable and not subject to preemptive rights, and all such shares are owned by Sound Bank or another Subsidiary of Sound Bank free and clear of all security interests, liens, claims, pledges, taking actions, agreements, limitations in Sound Bank's voting rights, charges or other encumbrances of any nature whatsoever. Neither Sound Bank nor any of its Subsidiaries has any trust preferred securities or other similar securities outstanding.

Section 3.04 Subsidiaries.

(a) (i) Sound Bank Disclosure Schedule Section 3.04 sets forth a complete and accurate list of all of Sound Bank's Subsidiaries, including the jurisdiction of organization of each such Subsidiary, (ii) Sound Bank owns, directly or indirectly, all of the issued and outstanding equity securities of each Subsidiary, (iii) no equity securities of any of Sound Bank's Subsidiaries are or may become required to be issued (other than to Sound Bank) by reason of any contractual right or otherwise, (iv) there are no contracts, commitments, understandings or arrangements by which any of such Subsidiaries is or may be bound to sell or otherwise transfer any of its equity securities (other than to Sound Bank or a wholly-owned Subsidiary of Sound Bank), (v) there are no contracts, commitments, understandings or arrangements relating to Sound Bank's rights to vote or to dispose of such securities and (vi) all of the equity securities of each such Subsidiary held by Sound Bank, directly or indirectly, are validly issued, fully paid and nonassessable, are not subject to preemptive or similar rights and are owned by Sound Bank free and clear of all Liens.

(b) Except as set forth on Sound Bank Disclosure Schedule Section 3.04, Sound Bank does not own (other than in a bona fide fiduciary capacity or in satisfaction of a debt previously contracted) beneficially, directly or indirectly, any equity securities or similar interests of any Person, or any interest in a partnership or joint venture of any kind.

(c) Each of Sound Bank's Subsidiaries has been duly organized and qualified and, where such concept is recognized under applicable law, is in good standing under the laws of the jurisdiction of its organization and is duly qualified to do business and is in good standing in the jurisdictions where its ownership or leasing of property or the conduct of its business requires it to be so qualified and where failure to be so qualified would reasonably be expected to have a Material Adverse Effect on Sound Bank.

Section 3.05 Corporate Power; Minute Books.

(a) Sound Bank and each of its Subsidiaries has the corporate power and authority to carry on its business as it is now being conducted and to own all of its properties and assets; and Sound Bank has the corporate power and authority to execute, deliver and perform its obligations under this Agreement and to consummate the merger transaction contemplated hereby, subject to

receipt of all necessary approvals of Governmental Authorities, the Regulatory Approvals and the Requisite Sound Bank Shareholder Approval.

(b) The minute books of Sound Bank and each of its Subsidiaries contain true, complete and accurate records of all corporate actions taken by shareholders of Sound Bank and each of its Subsidiaries and the board of the directors of Sound Bank (including committees of Sound Bank's and each Subsidiary's board of directors) and each of its Subsidiaries.

Section 3.06 Corporate Authority. Subject only to the affirmative approval of this Agreement by a majority of the common stock shareholder votes entitled to be cast on the Agreement at a duly convened meeting of shareholders ("Requisite Sound Bank Shareholder Approval"), this Agreement and the transactions contemplated hereby have been authorized by all necessary corporate action of Sound Bank and Sound Bank's board of directors on or prior to the date hereof. Sound Bank's board of directors has directed that this Agreement be submitted to Sound Bank's shareholders for approval at a meeting of such shareholders and, except for the receipt of the Requisite Sound Bank Shareholder Approval in accordance with Section 55-11-03 of the NCBCA and Sound Bank's Articles of Incorporation and Bylaws, no other vote of the shareholders of Sound Bank is required by Law, the Articles of Incorporation of Sound Bank, the Bylaws of Sound Bank or otherwise to approve this Agreement and the transactions contemplated hereby. Sound Bank has duly executed and delivered this Agreement and, assuming due authorization, execution and delivery by West Town and WTBT, this Agreement is a valid and legally binding obligation of Sound Bank, enforceable in accordance with its terms (except as enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium, fraudulent transfer and similar laws of general applicability relating to or affecting creditors' rights or by general equity principles).

Section 3.07 Regulatory Approvals; No Defaults.

(a) No consents or approvals of, or waivers by, or filings or registrations with, any Governmental Authority or with any third party are required to be made or obtained by Sound Bank or any of its Subsidiaries in connection with the execution, delivery or performance by Sound Bank of this Agreement or to consummate the transactions contemplated by this Agreement, except for (i) filings of applications or notices with, and consents, approvals or waivers by the FDIC and the NCCOB and (ii) the Requisite Sound Bank Shareholder Approval. Each consent, approval or waiver by the FDIC and the NCCOB referred to in clause (i) hereof is a "Regulatory Approval" with respect to the obligations of Sound Bank pursuant hereto. As of the date hereof, Sound Bank is not aware of any reason why the approvals set forth above and referred to in Section 6.01(b) will not be received.

(b) Subject to receipt of the Regulatory Approvals and the filings referred to in Section 3.07(a), and the expiration of related waiting periods, the execution, delivery and performance of this Agreement by Sound Bank, and the consummation of the transactions contemplated hereby do not and will not (i) constitute a breach or violation of, or a default under, the Articles of Incorporation or Bylaws (or similar governing documents) of Sound Bank, (ii) violate any statute, code, ordinance, rule, regulation, judgment, order, writ, decree or injunction applicable to Sound Bank, or any of its properties or assets, or (iii) except as otherwise disclosed on Sound Bank Disclosure Schedule Section 3.07(b), violate, conflict with, result in a material breach of any

provision of or the loss of any material benefit under, constitute a default (or an event which, with notice or lapse of time, or both, would constitute a default) under, result in the termination of or a right of termination or cancellation under, accelerate the performance required by, or result in the creation of any Lien upon any of the properties or assets of Sound Bank under, any of the terms, conditions or provisions of any note, bond, mortgage, indenture, deed of trust, license, lease, contract, agreement or other instrument or obligation to which Sound Bank is a party, or by which it or any of its properties or assets may be bound or affected.

Section 3.08 Reports; Internal Controls.

(a) Sound Bank and each of its Subsidiaries have timely filed (including all applicable extensions) all reports, forms, schedules, registrations, statements and other documents, together with any amendments required to be made with respect thereto, that they were required to file since inception with any Governmental Authority and have paid all fees and assessments due and payable in connection therewith. Since inception, other than normal examinations conducted by a Governmental Authority in the regular course of the business of Sound Bank and its Subsidiaries, no Governmental Authority has notified Sound Bank that it has initiated any proceeding or, to Sound Bank's Knowledge, threatened an investigation into the business or operations of Sound Bank or any of its Subsidiaries. There is no material unresolved violation or exception by any Governmental Authority with respect to any report, form, schedule, registration, statement or other document filed by, or relating to any examinations by any such Governmental Authority of Sound Bank or any of its Subsidiaries.

(b) The records, systems, controls, data and information of Sound Bank and its Subsidiaries are recorded, stored, maintained and operated under means (including any electronic, mechanical or photographic process, whether computerized or not) that are under the exclusive ownership and direct control of Sound Bank or its Subsidiaries or accountants (including all means of access thereto and therefrom), except for any non-exclusive ownership and non-direct control (including, without limitation, the processing of data by Sound Bank's core data service provider) that would reasonably be expected not to have a Material Adverse Effect on the system of internal accounting controls described in the following sentence or the privacy or security of customer information. Sound Bank and its Subsidiaries have devised and maintain a system of internal accounting controls sufficient to provide reasonable assurances regarding the reliability of financial reporting and the preparation of financial statements in accordance with GAAP.

(c) Since inception, neither Sound Bank nor any of its Subsidiaries nor, to Sound Bank's Knowledge, any director, officer, employee, auditor, accountant or representative of Sound Bank or any of its Subsidiaries has received or otherwise had or obtained Knowledge of any material complaint, allegation, assertion or claim, whether written or oral, regarding the accounting or auditing practices, procedures, methodologies or methods of Sound Bank or any of its Subsidiaries or their respective internal accounting controls, including any material complaint, allegation, assertion or claim that Sound Bank or any of its Subsidiaries has engaged in questionable accounting or auditing practices.

Section 3.09 Financial Statements; Undisclosed Liabilities.

(a) Sound Bank has previously delivered or made available to West Town accurate and complete copies of Sound Bank's (i) audited financial statements for the years ended December 31, 2015, 2014 and 2013, accompanied by the unqualified audit reports of Elliott Davis Decosimo LLC, independent auditors (collectively, the "Sound Bank Audited Financial Statements") and (ii) unaudited financial statements for the year ended December 31, 2016 (the "Sound Bank Unaudited Financial Statements;" and collectively with the Sound Bank Audited Financial Statements, the "Sound Bank Financial Statements").

(b) Each of the Sound Bank Financial Statements (i) fairly presents the financial condition, results of operations and changes in shareholders' equity and cash flows of Sound Bank for the respective periods or as of the respective dates set forth therein and (ii) were prepared in accordance with GAAP, except as may be noted therein and subject, in the case of the Sound Bank Unaudited Financial Statements, to normal recurring year-end adjustments.

(c) The audits of Sound Bank have been conducted in accordance with GAAS.

(d) Sound Bank has no liability of the nature required to be disclosed in a balance sheet prepared in accordance with GAAP except for liabilities reflected or reserved against in the Sound Bank Financial Statements and current liabilities incurred in Sound Bank's Ordinary Course of Business since December 31, 2016 (the "Sound Bank Balance Sheet Date").

Section 3.10 Absence of Certain Changes or Events. Except as disclosed in Sound Bank Disclosure Schedule Section 3.10, or as otherwise expressly permitted or expressly contemplated by this Agreement, since the Sound Bank Balance Sheet Date there has not been (i) any change or development in the business, operations, assets, liabilities, condition (financial or otherwise), results of operations, cash flows or properties of Sound Bank or any of its Subsidiaries which has had, or would reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect with respect to Sound Bank or any of its Subsidiaries, and no fact or condition exists which is reasonably likely to cause a Material Adverse Effect with respect to Sound Bank or any of its Subsidiaries in the future; (ii) any change by Sound Bank or any of its Subsidiaries in its accounting methods, principles or practices, other than changes required by applicable Law or GAAP or regulatory accounting as concurred in by Sound Bank's independent auditors; (iii) any entry by Sound Bank or any of its Subsidiaries into any contract or commitment of (A) more than \$25,000 or (B) with a term of more than one year, other than purchases or sales of investment securities, and loans and loan commitments, all in the Ordinary Course of Business; (iv) any declaration, setting aside or payment of any dividend or distribution in respect of any capital stock of Sound Bank or any of its Subsidiaries or any redemption, purchase or other acquisition of any of its securities; (v) any increase in or establishment of any bonus, insurance, severance, deferred compensation, pension, retirement, profit sharing, stock option (including, without limitation, the granting of stock options, stock appreciation rights, performance awards, or restricted stock awards), stock purchase or other employee benefit plan, or any other increase in the compensation payable or to become payable to any directors, officers or employees of Sound Bank or any of its Subsidiaries (other than normal salary adjustments to employees made in the Ordinary Course of Business), or any grant of severance or termination pay, or any contract or arrangement entered into to make or grant any severance or termination pay, any payment of any bonus, or the taking

of any action not in the Ordinary Course of Business with respect to the compensation or employment of directors, officers or employees of Sound Bank or any of its Subsidiaries; (vi) any material election or material changes in existing elections made by Sound Bank or any of its Subsidiaries for federal or state income tax purposes; (vii) any material change in the credit policies or procedures of Sound Bank or any of its Subsidiaries, the effect of which was or is to make any such policy or procedure less restrictive in any respect; (viii) any material acquisition or disposition of any assets or properties, or any contract for any such acquisition or disposition entered into other than (A) investment securities in Sound Bank's investment portfolio or (B) loans and loan commitments purchased, sold, made or entered into in the Ordinary Course of Business; or (ix) any material lease of real or personal property entered into, other than in connection with foreclosed property or in the Ordinary Course of Business.

Section 3.11 Legal Proceedings. Except as set forth in Sound Bank Disclosure Schedule Section 3.11:

(a) There are no civil, criminal, administrative or regulatory actions, suits, demand letters, demands for indemnification, claims, hearings, notices of violation, arbitrations, investigations, orders to show cause, market conduct examinations, notices of non-compliance or other proceedings of any nature pending or, to Sound Bank's Knowledge, threatened against Sound Bank or any of its Subsidiaries or to which Sound Bank or any of its Subsidiaries is a party;

(b) Neither Sound Bank nor any of its Subsidiaries is a party to any, nor are there any pending or, to Sound Bank's Knowledge, threatened, civil, criminal, administrative or regulatory actions, suits, demand letters, claims, hearings, notices of violation, arbitrations, investigations, orders to show cause, market conduct examinations, notices of non-compliance or other proceedings of any nature against Sound Bank or any of its Subsidiaries in which, to Sound Bank's Knowledge, there is a reasonable probability of any material recovery against or other potentially Material Adverse Effect with respect to Sound Bank or any of its Subsidiaries or which challenges or would challenge the validity or propriety of the transactions contemplated by this Agreement; and

(c) There is no injunction, order, judgment or decree imposed upon Sound Bank or any of its Subsidiaries, or the assets of Sound Bank or any of its Subsidiaries, and neither Sound Bank nor any of its Subsidiaries has been advised of, or has Knowledge of, the threat of any such action.

Section 3.12 Compliance With Laws.

(a) Except as set forth in Sound Bank Disclosure Schedule Section 3.12, Sound Bank and each of its Subsidiaries is, and since January 1, 2012 has been, in compliance in all material respects with all applicable federal, state, local and foreign Laws, judgments, orders or decrees applicable thereto or to the employees conducting such businesses, including, without limitation, Laws related to data protection or privacy, the USA PATRIOT Act, the Bank Secrecy Act, the Equal Credit Opportunity Act, the Fair Housing Act, the Community Reinvestment Act, the Fair Credit Reporting Act, the Truth in Lending Act and any other Law relating to discriminatory lending, financing or leasing practices, Sections 23A and 23B of the Federal Reserve Act, and the Dodd-Frank Act;

(b) Sound Bank and each of its Subsidiaries has all material permits, licenses, authorizations, orders and approvals of, and have made all filings, applications and registrations with, all Governmental Authorities that are required in order to permit it to own or lease their properties and to conduct their business as presently conducted; all such permits, licenses, certificates of authority, orders and approvals are in full force and effect and, to Sound Bank's Knowledge, no suspension or cancellation of any of them is threatened; and

(c) Except as set forth in Sound Bank Disclosure Schedule Section 3.12, neither Sound Bank nor any of its Subsidiaries has received since January 1, 2012, notification or communication from any Governmental Authority (i) asserting that it is not in compliance with any of the Laws which such Governmental Authority enforces or (ii) threatening to revoke any license, franchise, permit or governmental authorization (nor do any grounds for any of the foregoing exist).

Section 3.13 Material Contracts; Defaults.

(a) Except as disclosed in Sound Bank Disclosure Schedule Section 3.13, neither Sound Bank nor any of its Subsidiaries is a party to, bound by or subject to any agreement, contract, arrangement, commitment or understanding (whether written or oral) (i) with respect to the employment of any directors, officers, employees or consultants, (ii) which would entitle any present or former director, officer, employee or agent of Sound Bank or any of its Subsidiaries to indemnification from Sound Bank or any of its Subsidiaries, (iii) the benefits of which will be increased, or the vesting of benefits of which will be accelerated, by the occurrence of any of the transactions contemplated by this Agreement, or the value of any of the benefits of which will be calculated on the basis of any of the transactions contemplated by this Agreement, (iv) which grants any right of first refusal, right of first offer or similar right with respect to any material assets or properties of Sound Bank and/or its Subsidiaries; (v) which provides for payments to be made by Sound Bank or any of its Subsidiaries upon a change in control thereof; (vi) which provides for the lease of personal property having a value in excess of \$25,000 individually or \$50,000 in the aggregate; (vii) which relates to capital expenditures and involves future payments in excess of \$25,000 individually or \$50,000 in the aggregate; (viii) which relates to the disposition or acquisition of assets or any interest in any business enterprise outside the Ordinary Course of Business of Sound Bank; (ix) which is not terminable on 60 days or less notice and involves the payment of more than \$25,000 per annum; or (x) which materially restricts the conduct of any business by Sound Bank or any of its Subsidiaries (collectively, "Sound Bank Material Contracts"). Sound Bank has previously made available to West Town true, complete and correct copies of each such Sound Bank Material Contract.

(b) Neither Sound Bank nor any of its Subsidiaries is in default under any contract, agreement, commitment, arrangement, lease, insurance policy or other instrument, including but not limited to any Sound Bank Material Contract, to which it is a party, by which its assets, business, or operations may be bound or affected, or under which it or its assets, business, or operations receives benefits, and there has not occurred any event that, with the lapse of time or the giving of notice or both, would constitute such a default, with the exception of defaults that individually or in the aggregate, would not reasonably be expected to result in a Material Adverse Effect with respect to Sound Bank. Except to the extent otherwise provided in this Agreement, no power of attorney or similar authorization given directly or indirectly by Sound Bank is currently outstanding.

Section 3.14 Agreements with Regulatory Agencies. Except as set forth in Sound Bank Disclosure Schedule Section 3.14, neither Sound Bank nor any of its Subsidiaries is subject to any cease-and-desist or other order issued by, or is a party to any written agreement, consent agreement or memorandum of understanding with, or is a party to any commitment letter or similar undertaking to, or is a recipient of any extraordinary supervisory letter from, or is subject to any order or directive by, or has adopted any board resolutions at the request of any Governmental Authority (each, whether or not set forth in Sound Bank Disclosure Schedule Section 3.14, a “Sound Bank Regulatory Agreement”) that restricts, or by its terms will in the future restrict, the conduct of its business or that in any manner relates to its capital adequacy, its credit or risk management policies, its dividend policies, its management, its business or its operations, nor has Sound Bank or any of its Subsidiaries been advised by any Governmental Authority that it is considering issuing or requesting (or is considering the appropriateness of issuing or requesting) any Sound Bank Regulatory Agreement. To Sound Bank’s Knowledge, there are no investigations relating to any material regulatory matters pending before any Governmental Authority with respect to Sound Bank or any of its Subsidiaries.

Section 3.15 Brokers. Neither Sound Bank nor any of its officers, directors or any of its Subsidiaries has employed any broker or finder or incurred any liability for any broker’s fees, commissions or finder’s fees in connection with any of the transactions contemplated by this Agreement, except that Sound Bank has engaged, and will pay a fee or commission to, (a) Raymond James & Associates, Inc. in accordance with the terms of a letter agreement between Raymond James & Associates, Inc. and Sound Bank, a true, complete and correct copy of which has been previously delivered by Sound Bank to West Town and (b) Performance Trust Capital Partners, LLC in connection with its delivery to Sound Bank of a fairness opinion.

Section 3.16 Employee Benefit Plans.

(a) All benefit and compensation plans, severance plans, commissions, contracts, policies or arrangements (i) covering current or former employees of Sound Bank or any of its Subsidiaries (the “Sound Bank Employees”), (ii) covering current or former directors of Sound Bank or any of its Subsidiaries, and (iii) with respect to which Sound Bank or any of its Subsidiaries has or may have any remaining obligations or liability or contingent liability (including liability arising from affiliation under Section 414 of the Code or Section 4001 of ERISA) including, but not limited to, “employee benefit plans” within the meaning of Section 3(3) of ERISA, health/welfare, change in control, fringe benefit, deferred compensation, stock option, stock purchase, stock appreciation rights, stock based, incentive, bonus plans and other policies, plans or arrangements whether or not subject to ERISA (the “Sound Bank Benefit Plans”), are identified and described in Sound Bank Disclosure Schedule Section 3.16(a). Neither Sound Bank nor any of its Subsidiaries has any stated plan, intention or commitment to establish any new company benefit plan or to modify any Sound Bank Benefit Plan (except to the extent required by law).

(b) Sound Bank has made available to West Town and WTBT true and complete copies of all Sound Bank Benefit Plans including, but not limited to, any trust instruments and insurance contracts forming a part of any Sound Bank Benefit Plans and all amendments thereto, summary plan descriptions, summary of material modifications, summaries of coverage and benefits, IRS Form 5500 (for the three most recently completed plan years), the most recent IRS

determination, opinion, notification and advisory letters with respect thereto, and any correspondence from any regulatory agency. In addition, any annual and periodic accounting, service contract, fidelity bonds and employee and participant disclosures pertaining to the Sound Bank Benefit Plans have been made available to West Town and WTBT.

(c) All Sound Bank Benefit Plans are in substantial compliance in form and operation with all applicable Laws, including ERISA and the Code. Each Sound Bank Benefit Plan that is intended to be qualified under Section 401(a) of the Code (“Sound Bank 401(a) Plan”) has received a favorable determination or opinion letter from the IRS, or is an unmodified adoption of an IRS approved prototype or volume submitter plan document; Sound Bank is not aware of any circumstance that could reasonably be expected to result in revocation of any such favorable determination or opinion letter or the loss of the qualification of such Sound Bank 401(a) Plan under Section 401(a) of the Code; and to Sound Bank’s Knowledge, nothing has occurred that would be expected to result in the Sound Bank 401(a) Plan ceasing to be qualified under Section 401(a) of the Code. To Sound Bank’s Knowledge, all Sound Bank Benefit Plans have been administered in accordance with their terms. There is no pending or, to Sound Bank’s Knowledge, threatened litigation or regulatory action relating to the Sound Bank Benefit Plans. Neither Sound Bank nor any of its Subsidiaries has engaged in a transaction with respect to any Sound Bank Benefit Plan, including a Sound Bank 401(a) Plan that could subject Sound Bank or any of its Subsidiaries to a Tax or penalty under any Law including, but not limited to, Section 4975 of the Code or Section 502(i) of ERISA. No Sound Bank 401(a) Plan has been submitted under or been the subject of an IRS voluntary compliance program submission. There are no audits, investigations, inquiries or proceedings pending or, to the Knowledge of Sound Bank, threatened by the IRS or the Department of Labor with respect to any Sound Bank Benefit Plan.

(d) No liability under Subtitle C or D of Title IV of ERISA has been or is expected to be incurred by Sound Bank or any of its Subsidiaries with respect to any ongoing, frozen or terminated “single employer plan,” within the meaning of Section 4001(a)(15) of ERISA, currently or formerly maintained by Sound Bank, any of its Subsidiaries or any entity which is considered one employer with Sound Bank or any of its Subsidiaries under Section 4001 of ERISA or Section 414 of the Code (an “ERISA Affiliate”). None of Sound Bank or any ERISA Affiliate has contributed to (or been obligated to contribute to) a “multiemployer plan” within the meaning of Section 3(37) of ERISA at any time and neither Sound Bank nor any of its Subsidiaries has incurred, and does not expect to incur, any withdrawal liability with respect to a multiemployer plan under Subtitle E of Title IV of ERISA (regardless of whether based on contributions of an ERISA Affiliate). No notice of a “reportable event,” within the meaning of Section 4043 of ERISA, has been required to be filed for any Sound Bank Benefit Plan or by any ERISA Affiliate or will be required to be filed in connection with the transactions contemplated by this Agreement.

(e) All contributions required to be made with respect to all Sound Bank Benefit Plans have been timely made or have been reflected on the Sound Bank Financial Statements. No Sound Bank Benefit Plan or single-employer plan of an ERISA Affiliate has an “accumulated funding deficiency” (whether or not waived) within the meaning of Section 412 of the Code or Section 302 of ERISA, and no ERISA Affiliate has an outstanding funding waiver.

(f) Except as otherwise provided in a Sound Bank Benefit Plan disclosed in Sound Bank Disclosure Schedule Section 3.16(a), neither Sound Bank nor any Sound Bank Benefit Plan

provides or has any liability to provide life insurance, medical or other employee welfare benefits to any Sound Bank Employee upon his or her retirement or termination of employment for any reason, except as may be required by Law, and neither Sound Bank nor any Subsidiary has ever represented or contracted (whether in oral or written form) to any Sound Bank Employee (either individually, or to Sound Bank Employees as a group) that such Sound Bank Employee(s) would be provided with life insurance, medical or other employee welfare benefits, upon their retirement or termination of employment, except to the extent required by Law.

(g) All Sound Bank Benefit Plans that are group health plans have been operated in substantial compliance with the group health plan continuation requirements of Section 4980B of the Code and all other applicable sections of ERISA and the Code. Sound Bank may amend or terminate any such Sound Bank Benefit Plan at any time without incurring any liability thereunder for further benefits coverage at any time after such termination.

(h) Except as otherwise provided for in this Agreement or in an agreement disclosed in Sound Bank Disclosure Schedule Section 3.16(a) or Section 5.11, the execution of this Agreement, shareholder approval of this Agreement or consummation of any of the transactions contemplated by this Agreement will not (i) entitle any Sound Bank Employee to severance pay or any increase in severance pay upon any termination of employment after the date hereof, (ii) accelerate the time of payment or vesting (except as required by law) or trigger any payment or funding (through a grantor trust or otherwise) of compensation or benefits under, increase the amount payable or trigger any other material obligation pursuant to, any of the Sound Bank Benefit Plans, (iii) result in any breach or violation of, or a default under, any of the Sound Bank Benefit Plans, (iv) result in any payment that would be a “parachute payment” to a “disqualified individual” as those terms are defined in Section 280G of the Code, without regard to whether such payment is reasonable compensation for personal services performed or to be performed in the future, (v) limit or restrict the right of Sound Bank or, after the consummation of the transactions contemplated hereby, the Surviving Bank or any of its Subsidiaries, to merge, amend or terminate any of the Sound Bank Benefit Plans, or (vi) result in payments under any of the Sound Bank Benefit Plans for which a deduction would be disallowed in whole or part by reason of Sections 162(m) or 280G of the Code.

(i) Each Sound Bank Benefit Plan that is a nonqualified deferred compensation plan or arrangement is in substantial compliance with Section 409A of the Code, to the extent applicable. All elections made with respect to compensation deferred under any arrangement involving Sound Bank or any of its Subsidiaries subject to Section 409A of the Code have been made in accordance with the requirements of Section 409A(a)(4) of the Code, to the extent applicable. Neither Sound Bank nor any of its Subsidiaries (i) has, to the Knowledge of Sound Bank, taken any action, or failed to take any action, that has resulted or could reasonably be expected to result in the interest and Tax penalties specified in Section 409A(a)(1)(B) of the Code being owed by any participant in a Sound Bank Benefit Plan or (ii) has agreed to reimburse or indemnify any participant in a Sound Bank Benefit Plan for any of the interest and Tax penalties specified in Section 409A(a)(1)(B) of the Code that may be currently due or triggered in the future.

(j) Sound Bank Disclosure Schedule Section 3.16(j) contains a schedule showing the present value of the monetary amounts payable as of the date specified in such schedule, whether individually or in the aggregate (including good faith estimates of all amounts not subject to precise quantification as of the date of this Agreement, such as Tax indemnification payments in respect

of income or excise Taxes), under any employment, change-in-control, severance or similar contract, plan or arrangement with or which covers any present or former director, officer or employee of Sound Bank or any of its Subsidiaries who may be entitled to any such amount if the Merger is consummated and identifying the types and estimated amounts of the in-kind benefits due under any Sound Bank Benefit Plans (other than a plan qualified under Section 401(a) of the Code) for each such Person, specifying the assumptions in such schedule and providing estimates of other required contributions to any trusts for any related fees or expenses.

(k) Sound Bank and its Subsidiaries have correctly classified all individuals who directly or indirectly perform services for Sound Bank or any of its Subsidiaries and who are employees of Sound Bank or any of its Subsidiaries as employees, and not as consultants or independent contractors or leased employees, for purposes of each Sound Bank Benefit Plan, ERISA, the Code, unemployment compensation laws, workers' compensation laws, wage and hour and overtime laws, and all other applicable Laws. Further, all employees of Sound Bank and its Subsidiaries have been properly classified as exempt or non-exempt under any applicable Laws relating to regular wages and overtime compensation. Neither Sound Bank nor its Subsidiaries is liable for any back payment to any trust or other fund or to any Governmental Authority, with respect to unemployment compensation benefits, social security or other benefits or obligations relating to any individual.

(l) Each Sound Bank Benefit Plan which constitutes a "group health plan" (as defined in ERISA, the Public Health Services Act or the Code) has been operated in compliance with applicable law including, but not limited to, the Patient Protection and Affordable Care Act, as amended by the Health Care and Education Reconciliation Act of 2010, and the regulations and guidance issued thereunder ("PPACA"), such that there is no reasonable expectation that any Tax or penalty could be imposed pursuant to the PPACA that relates to such group health plan. To the Knowledge of Sound Bank, no condition exists that could cause Sound Bank or any of its Subsidiaries or ERISA Affiliate to be liable for any assessable payment under Section 4980H of the Code. Further, no event has occurred or condition exists that could subject Sound Bank or any of its Subsidiaries or ERISA Affiliate to liability (whether direct or indirect, contingent or otherwise) on account of a violation of the health care requirements of Part 6 or 7 of Title I of ERISA or Section 4980B or 4980D of the Code. Sound Bank and its Subsidiaries have maintained records that are sufficient to satisfy the reporting requirements and have made timely reports as may be required under Sections 6055 and 6056 of the Code, to the extent required.

Section 3.17 Labor and Employment Matters.

(a) Neither Sound Bank nor any of its Subsidiaries is a party to or bound by any express or implied collective bargaining agreement, contract or other agreement or understanding with a labor union or labor organization, and there is no labor union or labor organization (i) seeking to compel Sound Bank or any of its Subsidiaries to bargain with such labor union or organization as to wages or conditions of employment or (ii) representing, purporting to represent, nor, to the Knowledge of Sound Bank, attempting to represent, any employees of Sound Bank or any of its Subsidiaries.. Neither Sound Bank nor any of its Subsidiaries has engaged in any unfair labor practice (as defined by the National Labor Relations Act), and there is no proceeding pending or, to Sound Bank's Knowledge threatened, asserting that Sound Bank or any of its Subsidiaries has committed an unfair labor practice. There is no strike or other labor dispute involving Sound Bank

or any of its subsidiaries pending or, to Sound Bank's Knowledge, threatened, nor, to Sound Bank's Knowledge, are any of its employees seeking to certify a collective bargaining unit or otherwise engaging in other organizational activity.

(b) Sound Bank and its Subsidiaries are in substantial compliance with all applicable Laws pertaining to employment and employment practices, including but not limited to all laws and regulations relating to wages, hours, overtime, employment discrimination, retaliation, workplace harassment, family and medical leave, sick leave, paid-time off/vacation, disability accommodation, civil rights, safety and health, workers' compensation, pay equity, I-9 employment eligibility verification and the collection and payment of payroll withholding, unemployment, Medicare and/or social security Taxes, except to the extent non-compliance would not result in a Material Adverse Effect.

(c) There are no actions, suits, claims, charges, investigations or other legal proceedings against Sound Bank or any of its Subsidiaries pending, or to Sound Bank's Knowledge, threatened to be brought or filed, by or with any Governmental Authority or arbitrator in connection with the employment of any current or former employee of Sound Bank nor any of its Subsidiaries, including, without limitation, any claim relating to employment discrimination, harassment, retaliation, accommodation, paid leave, equal pay or any other employment related matter arising under applicable Laws.

(d) Except as disclosed on Sound Bank Disclosure Schedule Section 3.17, all Employees of Sound Bank and its Subsidiaries are employed at will, and there are no Employees or consultants or contractors who are entitled to a specified notice of termination or a fixed term of employment or engagement.

(e) Sound Bank Disclosure Schedule Section 3.17 contains a true and complete list as of November 30, 2016, of (i) all employees of Sound Bank and each of its Subsidiaries, which list sets forth the names and positions of all such employees and their then current annual salaries, hourly wage rates, commissions and bonus arrangements and descriptions of the material terms of any other compensation and benefit arrangements for employees in existence or proposed by Sound Bank, and (ii) all individuals who provide services to Sound Bank or any of its Subsidiaries in the capacity of independent contractor, and the compensation provided to such individuals.

Section 3.18 Environmental Matters.

(a) Except as set forth in Sound Bank Disclosure Schedule Section 3.18, and except as would not be expected to have a Material Adverse Effect, to Sound Bank's Knowledge, there has been no release of Hazardous Substances at, on, or under any real property (including buildings or other structures) currently or formerly owned, operated or leased by Sound Bank or any of its Subsidiaries, that has formed or that could reasonably be expected to form the basis of any Environmental Claim against Sound Bank or any of its Subsidiaries.

(b) Except as disclosed on Sound Bank Disclosure Schedule Section 3.18, to Sound Bank's Knowledge, neither Sound Bank nor any of its Subsidiaries has acquired, nor is any of them now in the process of acquiring, any real property through foreclosure or deed in lieu of foreclosure which has been contaminated with, or has had any release of, any Hazardous Substance

in a manner that violates Environmental Law or requires reporting, investigation, removal, remediation or monitoring under Environmental Law.

(c) Except as disclosed on Sound Bank Disclosure Schedule Section 3.18, to Sound Bank's Knowledge, neither Sound Bank nor any of its Subsidiaries has previously been nor is any of them now in material violation of or material noncompliance with applicable Environmental Law.

(d) To Sound Bank's Knowledge, neither Sound Bank nor any of its Subsidiaries could be deemed the owner or operator of, or to have participated in the management of, any Sound Bank Loan Property which has been contaminated with, or has had any release of, any Hazardous Substance in a manner that violates Environmental Law or requires reporting, investigation, removal, remediation or monitoring under Environmental Law.

(e) Neither Sound Bank nor any of its Subsidiaries has received (i) any written notice, demand letter, or claim alleging any violation of, or liability under, any Environmental Law by Sound Bank or any of its Subsidiaries or (ii) any written request for information reasonably indicating an investigation or other inquiry by any Government Authority concerning a possible violation of, or liability under, any Environmental Law.

(f) Neither Sound Bank nor any of its Subsidiaries has received notice of any Lien, environmental activity or use limitation, or other encumbrance having been imposed on property owned, operated or leased by Sound Bank or its Subsidiaries in connection with any liability or potential liability arising from or related to Environmental Law, and to Sound Bank's Knowledge, there is no action, proceeding, writ, injunction or claim pending or threatened which could result in the imposition of any such Lien, environmental activity or use limitation, or other encumbrance on property owned, operated or leased by Sound Bank or any of its Subsidiaries.

(g) Neither Sound Bank nor any of its Subsidiaries is, or has been, subject to any order, decree or injunction relating to a violation of or allegation of liability under any Environmental Law.

(h) Except as disclosed on Sound Bank Disclosure Schedule Section 3.18, and except as would not be expected to have a Material Adverse Effect, to Sound Bank's Knowledge, there are no circumstances or conditions (including, but not limited to, the presence of asbestos, underground storage tanks, lead products, polychlorinated biphenyls, prior manufacturing operations, dry-cleaning, or automotive services) involving Sound Bank, any of its Subsidiaries, or any currently or formerly owned, operated or leased property, that could reasonably be expected pursuant to applicable Environmental Law to (i) result in any claim, liability or investigation against Sound Bank or any of its Subsidiaries, or (ii) result in any restriction on the ownership, use, or transfer of any such property.

(i) Sound Bank has delivered to West Town copies of, and Sound Bank Disclosure Schedule Section 3.18 lists, all environmental assessments, reports, studies, sampling data, correspondence, filings and other information known to Sound Bank and in its possession or control relating to environmental conditions at or on any real property (including buildings or other

structures) currently or formerly owned, operated or leased by Sound Bank or any of its Subsidiaries.

(j) There is no litigation pending or, to Sound Bank's Knowledge, threatened against Sound Bank or any of its Subsidiaries, or, to Sound Bank's Knowledge, affecting any property now or formerly owned, used or leased by Sound Bank or any of its Subsidiaries, before any court, or Governmental Authority (i) for alleged noncompliance with any Environmental Law or (ii) relating to the presence or release into the environment of any Hazardous Substance.

(k) Except as disclosed on Sound Bank Disclosure Schedule Section 3.18, to Sound Bank's Knowledge, there are no underground storage tanks on, in or under any property currently owned, operated or leased by Sound Bank or any of its Subsidiaries.

Section 3.19 Tax Matters.

(a) Sound Bank and each of its Subsidiaries has filed all material Tax Returns that it was required to file under applicable Laws, other than Tax Returns that are not yet due or for which a request for extension was timely filed consistent with requirements of applicable Law. All such Tax Returns were correct and complete in all material respects and have been prepared in substantial compliance with all applicable Laws. Except as set forth in Sound Bank Disclosure Schedule Section 3.19, all material Taxes due and owing by Sound Bank or any of its Subsidiaries (whether or not shown on any Tax Return) have been paid other than Taxes that have been reserved or accrued on the balance sheet of Sound Bank or that Sound Bank is contesting in good faith. Except as set forth in Sound Bank Disclosure Schedule Section 3.19, Sound Bank is not currently the beneficiary of any extension of time within which to file any Tax Return. Since Sound Bank's inception, no claim has been made by any Governmental Authority (i) in a jurisdiction where Sound Bank or any Subsidiary thereof does not file Tax Returns that such entity is or may be subject to taxation by that jurisdiction, or (ii) in a jurisdiction where Sound Bank or any Subsidiary thereof has filed Tax Returns that such entity is or may be subject to taxation by that jurisdiction for any type of Tax for which it has not been filing Tax Returns in that jurisdiction. There are no Liens for Taxes (other than statutory liens for Taxes not yet due and payable) upon any of the assets of Sound Bank or any of its Subsidiaries.

(b) Sound Bank and each of its Subsidiaries, as applicable, have withheld and paid all Taxes required to have been withheld and paid in connection with any amounts paid or owing to any employee, independent contractor, creditor, shareholder or other third party.

(c) No foreign, federal, state, or local Tax audits or administrative or judicial Tax proceedings are currently being conducted or to Sound Bank's Knowledge are pending with respect to Sound Bank or any of its Subsidiaries. Other than with respect to audits that have already been completed and resolved, neither Sound Bank nor any of its Subsidiaries has received from any foreign, federal, state, or local Taxing authority (including jurisdictions where Sound Bank and or any of its Subsidiaries have not filed Tax Returns) any (i) written notice indicating an intent to open an audit or other review, (ii) request for information related to Tax matters, or (iii) notice of deficiency or proposed adjustment for any amount of Tax proposed, asserted, or assessed by any taxing authority against Sound Bank or any of its Subsidiaries.

(d) Sound Bank has made available to West Town true and complete copies of the United States federal, state, local, and foreign consolidated income Tax Returns filed with respect to Sound Bank for taxable periods ended December 31, 2015 and 2014, together with correct and complete copies of all examination reports, and statements of deficiencies assessed against or agreed to by Sound Bank with respect to any Taxes since December 31, 2010. Sound Bank has timely and properly taken such actions in response to and in compliance with any notices that Sound Bank has received from the IRS or any state, local or other Tax authority in respect of information reporting and backup and nonresident withholding as are required by law.

(e) Sound Bank has not waived any statute of limitations in respect of Taxes or agreed to any extension of time with respect to a Tax assessment or deficiency.

(f) Sound Bank has not been a United States real property holding corporation within the meaning of Code Section 897(c)(2) during the applicable period specified in Code Section 897(c)(1)(A)(ii). Sound Bank has disclosed on its federal income Tax Returns all positions taken therein that could give rise to a substantial understatement of federal income Tax within the meaning of Code Section 6662. Sound Bank is not a party to or bound by any Tax allocation or sharing agreement or similar contract. Sound Bank (i) has not been a member of an affiliated group filing a consolidated federal income Tax Return (other than a group the common parent of which was Sound Bank), and (ii) has no liability for the Taxes of any individual, bank, corporation, partnership, association, joint stock company, business trust, limited liability company, or unincorporated organization (other than Sound Bank) under Treasury Regulations Section 1.1502-6 (or any similar provision of state, local, or foreign Law), as a transferee or successor, by contract, or otherwise.

(g) The unpaid Taxes of Sound Bank (i) did not, as of December 31, 2016, exceed the reserve for Tax liability (which reserve is distinct and different from any reserve for deferred Taxes established to reflect timing differences between book and Tax income) reflected in the Financial Statements delivered to West Town (rather than in any notes thereto), and (ii) do not exceed that reserve as adjusted for the passage of time in accordance with the past custom and practice of Sound Bank in filing its Tax Returns. Since December 31, 2015, Sound Bank has not incurred any liability for Taxes arising from extraordinary gains or losses, as that term is used in GAAP, outside the Ordinary Course of Business.

(h) Sound Bank will not be required to include any item of income in, or exclude any item of deduction from, taxable income for any taxable period (or portion thereof) ending after the Effective Time as a result of any: (i) change in method of accounting or use of an improper method of accounting for a taxable period ending on or prior to the Closing Date; (ii) "closing agreement" as described in Code Section 7121 (or any corresponding or similar provision of state, local or foreign income Tax law) executed on or prior to the Closing Date; (iii) intercompany transactions or any excess loss account described in Treasury Regulations under Code Section 1502 (or any corresponding or similar provision of state, local or foreign income Tax Law); (iv) installment sale or open transaction disposition made on or prior to the Closing Date; (v) prepaid amount received on or prior to the Closing Date; or (vi) election made under Code Section 108(i).

(i) Neither Sound Bank nor any of its Subsidiaries has distributed stock of another Person or had its stock distributed by another Person in a transaction that was purported or intended to be governed in whole or in part by Sections 355 or 361 of the Code.

(j) Neither Sound Bank nor any of its Subsidiaries has participated in an international boycott within the meaning of Section 999 of the Code.

(k) Neither Sound Bank nor any of its Subsidiaries is or has been a party to any “reportable transaction” as defined in Code Section 6707A(c)(1) and Treasury Regulations Section 1.6011-4(b).

(l) There is no contract, plan or arrangement to which Sound Bank or any of its Subsidiaries is a party, including the provisions of this Agreement, that, individually or collectively, (i) is in violation of any of Sections 409A, 280G or 457A of the Code, or (ii) could require Sound Bank, the Surviving Bank, West Town or any Affiliate of any of them to gross up a payment to any employee or other service provider of any Sound Bank or any Subsidiary thereof for Tax-related payments or cause a penalty Tax under Sections 280G, 409A or 457A of the Code.

(m) Neither Sound Bank nor any of its Subsidiaries is, has ever been, or has ever owned an interest in (i) a “passive foreign investment company” within the meaning of Sections 1291 through 1298 of the Code or (ii) a “controlled foreign corporation” within the meaning of Section 957 of the Code. Neither Sound Bank nor any of its Subsidiaries has ever had a “permanent establishment” in any foreign country as defined in any applicable Tax treaty or convention between the United States and such foreign country.

Section 3.20 Investment Securities. Sound Bank Disclosure Schedule Section 3.20 sets forth as of the Sound Bank Balance Sheet Date, the investment securities of Sound Bank, as well as any purchases or sales of such securities between the Sound Bank Balance Sheet Date to and including the date hereof, reflecting with respect to all such securities, whenever purchased or sold, descriptions thereof, CUSIP numbers, designations as securities “available for sale” or securities “held to maturity,” as those terms are used in ASC 320, book values, fair values and coupon rates, and any gain or loss with respect to any investment securities sold during such time period after the Sound Bank Balance Sheet Date. Except as set forth in Sound Bank Disclosure Schedule Section 3.20 and for sales or purchases of such securities made in the Ordinary Course of Business between the Disclosure Date and the date hereof, neither Sound Bank nor any of its Affiliates has purchased or sold any such securities listed and described thereon. Neither Sound Bank or any of its Affiliates owns, individually or in the aggregate, in excess of 5% of the outstanding equity of any Person including, without limitation, any savings bank, savings and loan association, savings and loan holding company, credit union, bank or bank holding company, insurance company, mortgage or loan broker or any other financial institution.

Section 3.21 Derivative Transactions.

(a) All Derivative Transactions entered into by Sound Bank or any of its Subsidiaries or for the account of any of its customers were entered into in accordance with applicable Laws and regulatory policies of any Governmental Authority, and in accordance with the investment, securities, commodities, risk management and other policies, practices and procedures employed

by Sound Bank or any of its Subsidiaries, and were entered into with counterparties believed at the time to be financially responsible and able to understand (either alone or in consultation with its advisers) and to bear the risks of such Derivative Transactions. Sound Bank and each of its Subsidiaries have duly performed all of their obligations under the Derivative Transactions to the extent that such obligations to perform have accrued, and, to Sound Bank's Knowledge, there are no breaches, violations or defaults or allegations or assertions of such by any party thereunder.

(b) No Derivative Transaction, were it to be a Loan held by Sound Bank, would be classified as "Special Mention," "Substandard," "Doubtful," "Loss," "Classified," "Criticized," "Credit Risk Assets," "Concerned Loans," "Watch List" or words of similar import.

(c) Each Derivative Transaction is listed on Sound Bank Disclosure Schedule Section 3.21, and the financial position of Sound Bank under or with respect to each has been reflected in the books and records of Sound Bank in accordance with GAAP, and no open exposure of Sound Bank with respect to any such instrument (or with respect to multiple instruments with respect to any single counterparty) exists, except as disclosed on Sound Bank Disclosure Schedule Section 3.21.

Section 3.22 Regulatory Capitalization. As of the date of its most recent Report of Condition and Income, Sound Bank was "well-capitalized," as such term is defined in the rules and regulations promulgated by the FDIC.

Section 3.23 Loans; Nonperforming and Classified Assets.

(a) Except as set forth in Sound Bank Disclosure Schedule Section 3.23, as of the Disclosure Date, neither Sound Bank nor any of its Subsidiaries was a party to any written or oral loan, loan agreement, note or borrowing arrangement (including, without limitation, leases, credit enhancements, commitments, guarantees and interest-bearing assets) (collectively, "Loans"), under the terms of which the obligor was, as of December 31, 2016, over 60 days delinquent in payment of principal or interest. Sound Bank Disclosure Schedule Section 3.23 identifies (x) each Loan that as of December 31, 2016 was classified as "Special Mention," "Substandard," "Doubtful," "Loss," "Classified," "Criticized," "Credit Risk Assets," "Concerned Loans," "Watch List" or words of similar import by Sound Bank or any bank examiner, together with the principal amount of and accrued and unpaid interest on each such Loan and the identity of the borrower thereunder and (y) each asset of Sound Bank that as of December 31, 2016 was classified as other real estate owned ("OREO") and the book value thereof as of December 31, 2016. Set forth in Sound Bank Disclosure Schedule Section 3.23 is a true and correct copy of Sound Bank's Policy Exception Report as of December 31, 2016.

(b) Each Loan held in Sound Bank's loan portfolio ("Sound Bank Loan") (i) is evidenced by notes, agreements or other evidences of indebtedness that are true, genuine and what they purport to be, (ii) to the extent secured, has been secured by valid Liens which have been perfected and (iii) to Sound Bank's Knowledge, is a legal, valid and binding obligation of the obligor named therein, enforceable in accordance with its terms, subject to bankruptcy, insolvency, fraudulent conveyance and other laws of general applicability relating to or affecting creditors' rights and to general equity principles.

(c) All currently outstanding Sound Bank Loans were solicited, originated and, currently exist in material compliance with all applicable requirements of Law and Sound Bank's lending policies at the time of origination of such Sound Bank Loans, and the loan documents with respect to each such Sound Bank Loan are complete and correct. There are no oral modifications or amendments or additional agreements related to the Sound Bank Loans that are not reflected in the written records of Sound Bank. All such Sound Bank Loans are owned by Sound Bank free and clear of any Liens, other than as set forth in Sound Bank Disclosure Schedule Section 3.23. No claims of defense as to the enforcement of any Sound Bank Loan have been asserted in writing against Sound Bank for which there is a reasonable possibility of an adverse determination, and Sound Bank has no Knowledge of any acts or omissions which would give rise to any claim or right of rescission, set-off, counterclaim or defense for which there is a reasonable possibility of an adverse determination to Sound Bank. Except as set forth in Sound Bank Disclosure Schedule Section 3.23, none of the Sound Bank Loans are presently serviced by third parties, and there is no obligation which could result in any Sound Bank Loan becoming subject to any third party servicing.

(d) Sound Bank is not a party to any agreement or arrangement with (or otherwise obligated to) any Person which obligates Sound Bank to repurchase from any such Person any Loan or other asset of Sound Bank, unless there is a material breach of a representation or covenant by Sound Bank or its Subsidiaries; and, neither Sound Bank nor any of its Subsidiaries has received notice of any such material breach of a representation or covenant.

Section 3.24 Allowance for Loan Losses. Sound Bank's allowance for loan losses as reflected in the latest balance sheet included in the Audited Financial Statements and in the balance sheet as of December 31, 2016 included in the Sound Bank Unaudited Financial Statements, was, in the opinion of management, as of each of the dates thereof, in compliance with Sound Bank's existing methodology for determining the adequacy of its allowance for loan losses as well as the standards established by applicable Governmental Authority, the Financial Accounting Standards Board and GAAP.

Section 3.25 Investment Management and Related Activities. None of Sound Bank, any Subsidiary or any of their respective officers or employees is required to be registered, licensed or authorized under the Laws issued by any Governmental Authority as an investment adviser, a broker or dealer, an insurance agency or company, a commodity trading adviser, a commodity pool operator, a futures commission merchant, an introducing broker, a registered representative or associated person, investment adviser, representative or solicitor, a counseling officer, an insurance agent, a sales person or in any similar capacity with a Governmental Authority.

Section 3.26 Repurchase Agreements. With respect to all agreements pursuant to which Sound Bank or any of its Subsidiaries has purchased securities subject to an agreement to resell, if any, Sound Bank or any of its Subsidiaries, as the case may be, has a valid, perfected first lien or security interest in the government securities or other collateral securing the repurchase agreement, and the value of such collateral equals or exceeds the amount of the debt secured thereby.

Section 3.27 Deposit Insurance. The deposits of Sound Bank are insured by the FDIC in accordance with the Federal Deposit Insurance Act ("FDIA") to the full extent permitted by Law, and Sound Bank has paid all premiums and assessments and filed all reports required by the FDIA.

No proceedings for the revocation or termination of such deposit insurance are pending or, to Sound Bank's Knowledge, threatened.

Section 3.28 CRA, Anti-money Laundering and Customer Privacy and Information Security. Neither Sound Bank nor any of its Subsidiaries is a party to any agreement with any individual or group regarding Community Reinvestment Act matters and to Sound Bank's Knowledge (because of Sound Bank's Home Mortgage Disclosure Act data for the year ended December 31, 2015, filed with the FDIC, or otherwise), no facts or circumstances exist, which would cause Sound Bank: (i) to be deemed not to be in compliance with the Community Reinvestment Act, and the regulations promulgated thereunder, or to be assigned a rating for Community Reinvestment Act purposes by federal or state bank regulators of lower than "satisfactory"; or (ii) to be deemed to be operating in violation of the Bank Secrecy Act and its implementing regulations (31 C.F.R. Part 103), the USA PATRIOT Act, any order issued with respect to anti-money laundering by the U.S. Department of the Treasury's Office of Foreign Assets Control, or any other applicable anti-money laundering statute, rule or regulation; or (iii) to be deemed not to be in compliance with the applicable privacy of customer information requirements contained in any federal and state privacy laws and regulations, including, without limitation, in the Fair Credit Reporting Act, including any amendments thereto and regulations promulgated thereunder, Title V of the Gramm-Leach-Bliley Act of 1999 and regulations promulgated thereunder (the "GLB Act"), as well as the provisions of the information security program adopted by Sound Bank pursuant to 12 C.F.R. Part 364. Furthermore, the board of directors of Sound Bank has adopted and Sound Bank has implemented an anti-money laundering program that contains adequate and appropriate customer identification verification procedures that has not been deemed ineffective by any Governmental Authority and that meets the requirements of Sections 352 and 326 of the USA PATRIOT Act. To Sound Bank's Knowledge, neither Sound Bank nor any of its Subsidiaries has experienced, or reported, an event that constitutes a Security Breach since January 1, 2014. The transfer of customer information from Sound Bank and its Subsidiaries to West Town and its Subsidiaries as a result of the Merger will not violate Title V of the GLB Act.

Section 3.29 Transactions with Affiliates. Except as set forth in Sound Bank Disclosure Schedule Section 3.29 and for changes in the Ordinary Course of Business in the amounts set forth therein between the Disclosure Date and the date of this Agreement, there are no outstanding amounts payable to or receivable from, or advances by Sound Bank or any of its Subsidiaries to, and neither Sound Bank nor any of its Subsidiaries is otherwise a creditor or debtor to, any director, Executive Officer, five percent (5%) or greater shareholder or other Affiliate of Sound Bank or any of its Subsidiaries, or to Sound Bank's Knowledge, any person, corporation or enterprise controlling, controlled by or under common control with any of the foregoing, other than part of the normal and customary terms of such persons' employment or service as a director with Sound Bank or any of its Subsidiaries and other than deposits held by Sound Bank in the Ordinary Course of Business. Except as set forth in Sound Bank Disclosure Schedule Section 3.29, neither Sound Bank nor any of its Subsidiaries is a party to any transaction or agreement with any of its respective directors, Executive Officers or other Affiliates. All agreements between Sound Bank and any of its Affiliates comply, to the extent applicable, with Regulation W of the Federal Reserve and with Sound Bank's conflicts of interest policies.

Section 3.30 Tangible Properties and Assets.

(a) Sound Bank Disclosure Schedule Section 3.30 sets forth a true, correct and complete list of all real property owned by Sound Bank and each of its Subsidiaries. Except as set forth in Sound Bank Disclosure Schedule Section 3.30, and except for properties and assets disposed of in the Ordinary Course of Business or as permitted by this Agreement, Sound Bank or its Subsidiary has good, valid and marketable title to, valid leasehold interests in or otherwise legally enforceable rights to use all of the real property, personal property and other assets (tangible or intangible), used, occupied and operated or held for use by it in connection with its business as presently conducted in each case, free and clear of any Lien, except for statutory Liens for amounts not yet delinquent.

(b) Sound Bank Disclosure Schedule Section 3.30 sets forth a true, correct and complete schedule of all leases, subleases, licenses and other agreements under which Sound Bank or any of its Subsidiaries uses or occupies or has the right to use or occupy, now or in the future, real property (the "Sound Bank Leases"). Each of the Sound Bank Leases is valid, binding and in full force and effect and neither Sound Bank nor any of its Subsidiaries has received a written notice of, and otherwise has no Knowledge of any, material default or termination with respect to any Sound Bank Lease. To Sound Bank's Knowledge, there has not occurred any event and no condition exists that would constitute a termination event or a material breach by Sound Bank or any of its Subsidiaries of, or material default by Sound Bank or any of its Subsidiaries in, the performance of any covenant, agreement or condition contained in any Sound Bank Lease. To Sound Bank's Knowledge, no lessor under a Sound Bank Lease is in material breach or default in the performance of any material covenant, agreement or condition contained in such Sound Bank Lease. Except as set forth on Sound Bank Disclosure Schedule Section 3.30, Sound Bank has not received written notice of any pending or, to Sound Bank's Knowledge, threatened legal, administrative, arbitral or other proceeding, claim, action or governmental or regulatory investigation of any nature with respect to the real property that Sound Bank or any of its Subsidiaries uses or occupies or has the right to use or occupy, now or in the future, including without limitation a pending or threatened taking of any of such real property by eminent domain. Sound Bank and each of its Subsidiaries has paid all rents and other charges to the extent due under the Sound Bank Leases.

(c) All buildings, structures, fixtures, building systems and equipment, and all components thereof, including the roof, foundation, load-bearing walls and other structural elements thereof, heating, ventilation, air conditioning, mechanical, electrical, plumbing and other building systems, environmental control, remediation and abatement systems, sewer, storm and waste water systems, irrigation and other water distribution systems, parking facilities, fire protection, security and surveillance systems, and telecommunications, computer, wiring and cable installations, included in the Sound Bank Real Property or the subject of the Sound Bank Leases are, to Sound Bank's Knowledge, in good condition and repair (normal wear and tear excepted) and sufficient for the operation of the business of Sound Bank and its Subsidiaries.

Section 3.31 Intellectual Property. Sound Bank Disclosure Schedule Section 3.31 sets forth a true, complete and correct list of all material Sound Bank Intellectual Property of which Sound Bank has Knowledge. Sound Bank or its Subsidiaries owns or has a valid license to use all such Sound Bank Intellectual Property, free and clear of all Liens, royalty or other payment

obligations (except for royalties or payments with respect to off-the-shelf Software at standard commercial rates). The Sound Bank Intellectual Property constitutes all of the material Intellectual Property necessary to carry on the business of Sound Bank and its Subsidiaries as currently conducted. The Sound Bank Intellectual Property owned by Sound Bank, and to Sound Bank's Knowledge, all other Sound Bank Intellectual Property, is valid and enforceable and has not been cancelled, forfeited, expired or abandoned, and neither Sound Bank nor any of its Subsidiaries has received written notice challenging the validity or enforceability of Sound Bank Intellectual Property. To Sound Bank's Knowledge, the conduct of the business of Sound Bank or any of its Subsidiaries does not violate, misappropriate or infringe upon the intellectual property rights of any third party. The consummation of the transactions contemplated hereby will not result in the loss or impairment of the right of Sound Bank, any of its Subsidiaries or the Surviving Bank to own or use any of Sound Bank Intellectual Property.

Section 3.32 Insurance.

(a) Sound Bank Disclosure Schedule Section 3.32 identifies all of the material insurance policies, binders, or bonds currently maintained by Sound Bank and its Subsidiaries (the "Sound Bank Insurance Policies"), including the insurer, policy numbers, amount of coverage, effective and termination dates and any pending claims thereunder involving more than \$10,000. Sound Bank and each of its Subsidiaries is insured with reputable insurers against such risks and in such amounts as the management of Sound Bank reasonably has determined to be prudent in accordance with industry practices. All the Sound Bank Insurance Policies are in full force and effect, neither Sound Bank nor any Subsidiary has received notice of cancellation of any of the Sound Bank Insurance Policies or is otherwise aware that any insurer under any of the Sound Bank Insurance Policies has expressed an intent to cancel any such Insurance Policies, and neither Sound Bank nor any of its Subsidiaries is in default thereunder and all claims thereunder have been filed in due and timely fashion.

(b) Sound Bank Disclosure Schedule Section 3.32 sets forth a true, correct and complete description of any and all bank owned life insurance ("BOLI") owned by Sound Bank or its Subsidiaries as of the Disclosure Date, including the value of its BOLI as of December 31, 2016. The value of such BOLI is and has been fairly and accurately reflected in the most recent balance sheet included in the Financial Statements in accordance with GAAP. All BOLI is owned solely by Sound Bank, no other Person has any ownership claims with respect to such BOLI or proceeds of insurance derived therefrom and there is no split dollar or similar benefit under Sound Bank's BOLI. Sound Bank does not have any outstanding borrowings secured in whole or part by its BOLI.

Section 3.33 Antitakeover Provisions. No "control share acquisition," "business combination moratorium," "fair price" or other form of antitakeover statute or regulation is applicable to this Agreement and the transactions contemplated hereby.

Section 3.34 Disclosure. The representations and warranties contained in this ARTICLE III, when considered as a whole and with the Sound Bank Disclosure Schedules, do not contain any untrue statement of a material fact or omit to state any material fact necessary in order to make not misleading the statements and information contained in this ARTICLE III.

Section 3.35 No Knowledge of Breach. Sound Bank has no Knowledge of any facts or circumstances that would result in West Town or WTBT being in breach on the date of execution of this Agreement of any representations and warranties of West Town and WTBT set forth in ARTICLE IV.

Section 3.36 Fairness Opinion. Prior to the execution of this Agreement, the board of directors of Sound Bank has received an opinion of Performance Trust Capital Partners, LLC to the effect that, as of the date thereof and based upon and subject to factors, assumptions, limitations, and other matters set forth therein, the Merger Consideration to be received by the holders of shares of Sound Bank Common Stock (other than Appraisal Shares and shares held by Sound Bank or any of its respective Subsidiaries) from West Town in connection with the Merger pursuant to this Agreement is fair, from a financial point of view, to the shareholders of Sound Bank. Such opinion has been made available to West Town and has not been amended or rescinded as of the date of this Agreement.

ARTICLE IV REPRESENTATIONS AND WARRANTIES OF WEST TOWN

Section 4.01 Making of Representations and Warranties.

(a) On the Disclosure Date, West Town delivered to Sound Bank a schedule (the “West Town Disclosure Schedule”) setting forth, among other things, items the disclosure of which were, and are, necessary or appropriate either in response to an express disclosure requirement contained in a provision to this Agreement or as an exception to one or more representations or warranties contained in ARTICLE IV or to one or more of its covenants contained in ARTICLE V; *provided, however*, that nothing in the West Town Disclosure Schedule shall be deemed adequate to disclose an exception to a representation or a warranty unless such schedule identifies the exception with reasonable particularity and describes the relevant facts in reasonable detail. Any item of disclosure that is set forth on a schedule in response to an express disclosure requirement contained in a provision of this Agreement, or that otherwise is provided as an exception to a representation or warranty contained herein, and that is necessary or appropriate in response to another express disclosure requirement or that is an exception to one or more other representations or warranties, shall be considered to have been adequately disclosed for purposes of all other schedules, representations and warranties if it is set forth on one schedule and a specific reference or cross-reference to that disclosure is provided on each other schedule, or with respect to each other representation or warranty, to which that item of disclosure relates.

(b) Except as set forth in the West Town Disclosure Schedule, West Town represents and warrants to Sound Bank that its statements contained in this ARTICLE IV were correct as of the Disclosure Date, are correct as of the date of this Agreement and will be correct as of the Closing Date (as though made on and as of the Closing Date), except as to any representation or warranty which specifically speaks as of a specific date (including without limitation representations made as of “the date hereof”), which only need be correct as of such specific date.

Section 4.02 Organization, Standing and Authority. West Town is a corporation duly organized, validly existing, and in good standing under the laws of the State of North Carolina and is a bank holding company within the meaning of the Bank Holding Company Act of 1956. West

Town has full corporate power and authority to carry on its business as now conducted. West Town has full power and authority (including all licenses, franchises, permits and other governmental authorizations which are legally required) to own, lease and operate its properties, to engage in the business and activities now conducted by it.

Section 4.03 Capital Stock. The authorized capital stock of West Town consists of 9,000,000 shares of West Town Common Stock and 1,000,000 shares of West Town preferred stock. As of the Disclosure Date, there were 1,466,026 shares of West Town Common Stock and no shares of West Town preferred stock outstanding. There are no shares of West Town Common Stock held by West Town's Subsidiaries. The outstanding shares of West Town Common Stock are duly authorized and validly issued and fully paid and non-assessable, and have not been issued in violation of, nor, as of the Disclosure Date, were they subject to, preemptive rights of any West Town shareholder. Each share of West Town Common Stock issued to shareholders of Sound Bank in the Merger, when issued in accordance with the terms of this Agreement, (i) will be duly authorized, validly issued, fully paid and nonassessable and will not be issued in violation of, nor will they be subject to, preemptive rights of any person, (ii) will not be "restricted securities" as defined in Rule 144(a)(3) of the Securities Act and (iii) will be freely tradable in the hands of shareholders of Sound Bank, other than as provided in Rule 144 in the case of those shareholders who become "affiliates" (as that term is defined in Rule 144) of West Town. There are no outstanding shares of capital stock of any class, or any options, warrants or other similar rights, convertible or exchangeable securities, "phantom stock" rights, stock appreciation rights, stock based performance units, agreements, arrangements, commitments or understandings to which West Town is a party, whether or not in writing, of any character relating to the issued or unissued capital stock or other securities of West Town or any of its Subsidiaries or obligating West Town or any of its Subsidiaries to issue (whether upon conversion, exchange or otherwise) or sell any share of capital stock of, or other equity interests in or other securities of, West Town or any of its Subsidiaries other than those listed in West Town Disclosure Schedule Section 4.03 and 2,174 shares of West Town's non-voting convertible perpetual preferred stock, Series A sold on February 23, 2017. All shares of West Town Common Stock subject to issuance as set forth in this Section 4.03 or West Town Disclosure Schedule Section 4.03 shall, upon issuance on the terms and conditions specified in the instruments pursuant to which they are issuable, be duly authorized, validly issued, fully paid and nonassessable, and not issued in violation of or, except as set forth in West Town Disclosure Schedule Section 4.03, be subject to preemptive rights in favor of any person. To West Town's Knowledge, there are no agreements, arrangements or other understandings with respect to the voting of West Town's capital stock. All of the outstanding shares of capital stock of each of West Town's Subsidiaries are duly authorized, validly issued, fully paid and nonassessable and not subject to preemptive rights, and all such shares are owned by West Town or a Subsidiary of West Town free and clear of all security interests, liens, claims, pledges, taking actions, agreements, limitations in West Town's voting rights, charges or other encumbrances of any nature whatsoever. Neither West Town nor any of its Subsidiaries has any trust preferred securities or other similar securities outstanding.

Section 4.04 Subsidiaries.

(a) (i) West Town Disclosure Schedule Section 4.04 sets forth a complete and accurate list of all of West Town's Subsidiaries (other than Interim Bank), including the jurisdiction of organization of each such Subsidiary, (ii) West Town owns, directly or indirectly, all of the issued

and outstanding equity securities of each Subsidiary, (iii) no equity securities of any of West Town's Subsidiaries are or may become required to be issued (other than to West Town) by reason of any contractual right or otherwise, (iv) there are no contracts, commitments, understandings or arrangements by which any of West Town's Subsidiaries is or may be bound to sell or otherwise transfer any of its equity securities (other than to West Town or a wholly-owned Subsidiary of West Town), (v) there are no contracts, commitments, understandings or arrangements relating to West Town's rights to vote or to dispose of such securities and (vi) except as otherwise set forth on West Town Disclosure Schedule Section 4.04, all of the equity securities of each such Subsidiary held by West Town, directly or indirectly, are validly issued, fully paid and nonassessable, are not subject to preemptive or similar rights and are owned by West Town free and clear of all Liens.

(b) Except as set forth on West Town Disclosure Schedule Section 4.04, West Town does not own (other than in a bona fide fiduciary capacity or in satisfaction of a debt previously contracted) beneficially, directly or indirectly, any equity securities or similar interests of any Person, or any interest in a partnership or joint venture of any kind.

(c) Each of West Town's Subsidiaries, including Interim Bank, has been duly organized and qualified and, where such concept is recognized under applicable law, is in good standing under the laws of the jurisdiction of its organization and is duly qualified to do business and is in good standing in the jurisdictions where its ownership or leasing of property or the conduct of its business requires it to be so qualified and where failure to be so qualified would reasonably be expected to have a Material Adverse Effect on West Town.

Section 4.05 Corporate Power; Minute Books.

(a) West Town and each of West Town's Subsidiaries has the corporate power and authority to carry on its business as it is now being conducted and to own all of its properties and assets; and West Town and WTBT each has the corporate power and authority to execute, deliver and perform its respective obligations under this Agreement and to consummate the merger transaction contemplated hereby, subject to receipt of all necessary approvals of Governmental Authorities and the Regulatory Approvals.

(b) The minute books of West Town and each of West Town's Subsidiaries contain true, complete and accurate records of all respective corporate actions taken by shareholders of West Town and each of West Town's Subsidiaries and the respective Boards of the Directors of West Town and each of West Town's Subsidiaries (including committees of West Town's, and each Subsidiary's board of directors).

Section 4.06 Corporate Authority. This Agreement and the transactions contemplated hereby have been authorized by all necessary corporate action of West Town and its Subsidiaries and their respective boards of directors on or prior to the date hereof. No vote of the shareholders of West Town is required by Law, the Articles of Incorporation of West Town, the Bylaws of West Town or otherwise to approve this Agreement and the transactions contemplated hereby. West Town, Interim Bank and WTBT have each duly executed and delivered this Agreement and, assuming due authorization, execution and delivery by Sound Bank, this Agreement is a valid and legally binding obligation of West Town, Interim Bank and WTBT, enforceable in accordance

with its terms (except as enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium, fraudulent transfer and similar laws of general applicability relating to or affecting creditors' rights or by general equity principles).

Section 4.07 Regulatory Approvals; No Defaults.

(a) No consents or approvals of, or waivers by, or filings or registrations with, any Governmental Authority or with any third party are required to be made or obtained by West Town or any of its Subsidiaries in connection with the execution, delivery or performance by West Town and its Subsidiaries of this Agreement or to consummate the transactions contemplated by this Agreement, except for (i) filings of applications or notices with, and consents, approvals or waivers by the FDIC, the NCCOB, and the Federal Reserve, (ii) the receipt of the Fairness Order from the Securities Administrator or, in lieu thereof, and as provided in Section 5.5(d), qualification of the West Town Common Stock to be issued to Sound Bank's shareholders with the Securities and Exchange Commission under its Regulation A, or effectiveness of a registration statement filed by West Town under the Securities Act covering the offering of such shares of West Town Common Stock to Sound Bank's shareholders, and (iii) the approval of this Agreement by West Town, as sole shareholder of Interim Bank. Each consent, approval or waiver by the FDIC, the NCCOB, and the Federal Reserve referred to in clause (i) and (ii) hereof is a "Regulatory Approval" with respect to the obligations of West Town and WTBT pursuant hereto. As of the date hereof, West Town is not aware of any reason why the approvals set forth above and referred to in Section 6.01(b) will not be received.

(b) Subject to receipt of the Regulatory Approvals and the making of the filings referred to in Section 4.07(a), and the expiration of related waiting periods, the execution, delivery and performance of this Agreement by West Town, Interim Bank and WTBT, and the consummation of the transactions contemplated hereby do not and will not (i) constitute a breach or violation of, or a default under, the Articles of Incorporation or Bylaws (or similar governing documents) of West Town or any Subsidiary, (ii) violate any statute, code, ordinance, rule, regulation, judgment, order, writ, decree or injunction applicable to West Town or any Subsidiary, or any of their respective properties or assets, or (iii) except as otherwise disclosed on West Town Disclosure Schedule Section 4.07(b), violate, conflict with, result in a material breach of any provision of or the loss of any material benefit under, constitute a default (or an event which, with notice or lapse of time, or both, would constitute a default) under, result in the termination of or a right of termination or cancellation under, accelerate the performance required by, or result in the creation of any Lien upon any of the properties or assets of West Town or any Subsidiary under, any of the terms, conditions or provisions of any note, bond, mortgage, indenture, deed of trust, license, lease, contract, agreement or other instrument or obligation to which West Town or any Subsidiary is a party, or by which any of them or any of their respective properties or assets may be bound or affected.

Section 4.08 Reports; Internal Controls.

(a) West Town and each of West Town's Subsidiaries have timely filed (including all applicable extensions) all reports, forms, schedules, registrations, statements and other documents, together with any amendments required to be made with respect thereto, that they were required to file since inception with any Governmental Authority and have paid all fees and assessments

due and payable in connection therewith. Other than normal examinations conducted by a Governmental Authority in the regular course of the business of West Town and its Subsidiaries, since their date of inception, no Governmental Authority has notified West Town or any Subsidiary that it has initiated any proceeding or, to the Knowledge of West Town or WTBT, threatened an investigation into the business or operations of West Town or any of West Town's Subsidiaries. There is no material unresolved violation or exception by any Governmental Authority with respect to any report, form, schedule, registration, statement or other document filed by, or relating to any examinations by any such Governmental Authority of West Town or any of West Town's Subsidiaries.

(b) The records, systems, controls, data and information of West Town and West Town's Subsidiaries are recorded, stored, maintained and operated under means (including any electronic, mechanical or photographic process, whether computerized or not) that are under the exclusive ownership and direct control of West Town or its Subsidiaries or accountants (including all means of access thereto and therefrom), except for any non-exclusive ownership and non-direct control (including, without limitation, the processing of data by WTBT's core data service provider) that would reasonably be expected not to have a Material Adverse Effect on the system of internal accounting controls described in the following sentence or the privacy or security of customer information. West Town and West Town's Subsidiaries have devised and maintain a system of internal accounting controls sufficient to provide reasonable assurances regarding the reliability of financial reporting and the preparation of financial statements in accordance with GAAP.

(c) Since their respective dates of inception, none of West Town nor any of West Town's Subsidiaries nor, to Knowledge of West Town, any director, officer, employee, auditor, accountant or representative of West Town or any of its Subsidiaries has received or otherwise had or obtained Knowledge of any material complaint, allegation, assertion or claim, whether written or oral, regarding the accounting or auditing practices, procedures, methodologies or methods of West Town or any of its Subsidiaries or their respective internal accounting controls, including any material complaint, allegation, assertion or claim that West Town or any of its Subsidiaries has engaged in questionable accounting or auditing practices.

Section 4.09 Financial Statements; Undisclosed Liabilities.

(a) West Town has previously delivered or made available to Sound Bank accurate and complete copies of (i) WTBT's audited consolidated financial statements for the years ended December 31, 2015, 2014 and 2013, accompanied by the unqualified audit reports of Crowe Horwath LLP, independent auditors (collectively, the "West Town Audited Financial Statements") and (ii) West Town's unaudited consolidated financial statements for the year ended December 31, 2016 (the "West Town Unaudited Financial Statements;" and collectively with the West Town Audited Financial Statements, the "West Town Financial Statements").

(b) Each of the West Town Financial Statements (i) fairly presents the financial condition, results of operations and changes in shareholders' equity and cash flows of WTBT and West Town, as applicable, for the respective periods or as of the respective dates set forth therein and (ii) were prepared in accordance with GAAP, except as may be noted therein and subject, in

the case of the West Town Unaudited Financial Statements, to normal recurring year-end adjustments.

(c) The audits of West Town have been conducted in accordance with GAAS.

(d) Except as disclosed in West Town Disclosure Schedule Section 4.09, West Town has no liability of the nature required to be disclosed in a balance sheet prepared in accordance with GAAP except for liabilities reflected or reserved against in the West Town Financial Statements and current liabilities incurred in West Town's Ordinary Course of Business since December 31, 2016 (the "West Town Balance Sheet Date").

Section 4.10 Absence of Certain Changes or Events. Except as disclosed in West Town Disclosure Schedule Section 4.10, or as otherwise expressly permitted or expressly contemplated by this Agreement, since the West Town Balance Sheet Date (i) there has not been any change or development in the business, operations, assets, liabilities, condition (financial or otherwise), results of operations, cash flows or properties of West Town or any of its Subsidiaries which has had, or would reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect with respect to West Town or any of its Subsidiaries, and no fact or condition exists which is reasonably likely to cause a Material Adverse Effect with respect to West Town or any of its Subsidiaries in the future and (ii) West Town and its Subsidiaries have carried on their respective businesses in all material respects in the Ordinary Course of Business.

Section 4.11 Legal Proceedings. Except as set forth in West Town Disclosure Schedule Section 4.11:

(a) There are no civil, criminal, administrative or regulatory actions, suits, demand letters, demands for indemnification, claims, hearings, notices of violation, arbitrations, investigations, orders to show cause, market conduct examinations, notices of non-compliance or other proceedings of any nature pending or, to the Knowledge of West Town, threatened against West Town or any of its Subsidiaries or to which West Town or any of its Subsidiaries is a party;

(b) Neither West Town nor any of its Subsidiaries is a party to any, nor are there any pending or, to the Knowledge of West Town, threatened, civil, criminal, administrative or regulatory actions, suits, demand letters, claims, hearings, notices of violation, arbitrations, investigations, orders to show cause, market conduct examinations, notices of non-compliance or other proceedings of any nature against West Town or any of its Subsidiaries in which, to the Knowledge of West Town, there is a reasonable probability of any material recovery against or other potentially Material Adverse Effect with respect to West Town or any of its Subsidiaries or which challenges or would challenge the validity or propriety of the transactions contemplated by this Agreement; and

(c) There is no injunction, order, judgment or decree imposed upon West Town or any of its Subsidiaries, or the assets of West Town or any of its Subsidiaries, and neither West Town nor any of its Subsidiaries has been advised of, or has Knowledge of, the threat of any such action.

Section 4.12 Compliance With Laws.

(a) Except as set forth in West Town Disclosure Schedule Section 4.12, West Town and each of its Subsidiaries is, and since January 1, 2012 has been, in compliance in all material respects with all applicable federal, state, local and foreign Laws, judgments, orders or decrees applicable thereto or to the employees conducting such businesses, including, without limitation, Laws related to data protection or privacy, the USA PATRIOT Act, the Bank Secrecy Act, the Equal Credit Opportunity Act, the Fair Housing Act, the Community Reinvestment Act, the Fair Credit Reporting Act, the Truth in Lending Act and any other Law relating to discriminatory lending, financing or leasing practices, Sections 23A and 23B of the Federal Reserve Act, and the Dodd-Frank Act;

(b) West Town and each of its Subsidiaries has all material permits, licenses, authorizations, orders and approvals of, and have made all filings, applications and registrations with, all Governmental Authorities that are required in order to permit it to own or lease their properties and to conduct their business as presently conducted; all such permits, licenses, certificates of authority, orders and approvals are in full force and effect and, to West Town's Knowledge, no suspension or cancellation of any of them is threatened; and

(c) Except as set forth in West Town Disclosure Schedule Section 4.12, neither West Town nor any of its Subsidiaries has received since January 1, 2012, notification or communication from any Governmental Authority (i) asserting that it is not in compliance with any of the Laws which such Governmental Authority enforces or (ii) threatening to revoke any license, franchise, permit or governmental authorization (nor do any grounds for any of the foregoing exist).

Section 4.13 Material Contracts; Defaults.

(a) Except as disclosed in West Town Disclosure Schedule Section 4.13, neither West Town nor any of its Subsidiaries is a party to, bound by or subject to any agreement, contract, arrangement, commitment or understanding (whether written or oral) (i) with respect to the employment of any directors, officers, employees or consultants, (ii) which would entitle any present or former director, officer, employee or agent of West Town or any of its Subsidiaries to indemnification from West Town or any of its Subsidiaries, (iii) the benefits of which will be increased, or the vesting of benefits of which will be accelerated, by the occurrence of any of the transactions contemplated by this Agreement, or the value of any of the benefits of which will be calculated on the basis of any of the transactions contemplated by this Agreement, (iv) which grants any right of first refusal, right of first offer or similar right with respect to any material assets or properties of West Town and/or its Subsidiaries; (v) which provides for payments to be made by West Town or any of its Subsidiaries upon a change in control thereof; (vi) which provides for the lease of personal property having a value in excess of \$25,000 individually or \$50,000 in the aggregate; (vii) which relates to capital expenditures and involves future payments in excess of \$25,000 individually or \$50,000 in the aggregate; (viii) which relates to the disposition or acquisition of assets or any interest in any business enterprise outside the Ordinary Course of Business of West Town; (ix) which is not terminable on 60 days or less notice and involves the payment of more than \$25,000 per annum; or (x) which materially restricts the conduct of any business by West Town or any of its Subsidiaries (collectively, "West Town Material Contracts").

West Town has previously made available to Sound Bank true, complete and correct copies of each such West Town Material Contract.

(b) Neither West Town nor any of its Subsidiaries is in default under any contract, agreement, commitment, arrangement, lease, insurance policy or other instrument, including but not limited to any West Town Material Contract, to which it is a party, by which its assets, business, or operations may be bound or affected, or under which it or its assets, business, or operations receives benefits, and there has not occurred any event that, with the lapse of time or the giving of notice or both, would constitute such a default, with the exception of defaults that individually or in the aggregate, would not reasonably be expected to result in a Material Adverse Effect with respect to West Town and WTBT. Except to the extent otherwise provided in this Agreement, no power of attorney or similar authorization given directly or indirectly by West Town is currently outstanding.

Section 4.14 Agreements with Regulatory Agencies. Except as set forth in West Town Disclosure Schedule Section 4.14, neither West Town nor any of its Subsidiaries is subject to any cease-and-desist or other order issued by, or is a party to any written agreement, consent agreement or memorandum of understanding with, or is a party to any commitment letter or similar undertaking to, or is a recipient of any extraordinary supervisory letter from, or is subject to any order or directive by, or has adopted any board resolutions at the request of any Governmental Authority (each, whether or not set forth in West Town Disclosure Schedule Section 4.14, a “West Town Regulatory Agreement”) that restricts, or by its terms will in the future restrict, the conduct of its business or that in any manner relates to its capital adequacy, its credit or risk management policies, its dividend policies, its management, its business or its operations, nor has West Town or any of its Subsidiaries been advised by any Governmental Authority that it is considering issuing or requesting (or is considering the appropriateness of issuing or requesting) any West Town Regulatory Agreement. To the Knowledge of West Town, there are no investigations relating to any material regulatory matters pending before any Governmental Authority with respect to the West Town or any of its Subsidiaries.

Section 4.15 Brokers. Neither West Town nor any of its officers, directors or any of West Town’s Subsidiaries has employed any broker or finder or incurred any liability for any broker’s fees, commissions or finder’s fees in connection with any of the transactions contemplated by this Agreement, except that West Town has engaged, and will pay a fee or commission to, FIG Partners, LLC in accordance with the terms of a letter agreement between FIG Partners, LLC and West Town, a true, complete and correct copy of which has been previously delivered by West Town to Sound Bank.

Section 4.16 Employee Benefit Plans.

(a) All benefit and compensation plans, severance plans, commissions, contracts, policies or arrangements (i) covering current or former employees of West Town or any of its Subsidiaries (the “West Town Employees”), (ii) covering current or former directors of West Town or any of its Subsidiaries, and (iii) with respect to which West Town or any of its Subsidiaries has or may have any remaining obligations or liability or contingent liability (including liability arising from affiliation under Section 414 of the Code or Section 4001 of ERISA) including, but not limited to, “employee benefit plans” within the meaning of Section 3(3)

of ERISA, health/welfare, change in control, fringe benefit, deferred compensation, stock option, stock purchase, stock appreciation rights, stock based, incentive, bonus plans and other policies, plans or arrangements whether or not subject to ERISA (the “West Town Benefit Plans”), are identified and described in West Town Disclosure Schedule 4.16(a). Neither West Town nor any of its Subsidiaries has any stated plan, intention or commitment to establish any new company benefit plan or to modify any West Town Benefit Plan (except to the extent required by law).

(b) West Town has made available to Sound Bank true and complete copies of all West Town Benefit Plans including, but not limited to, any trust instruments and insurance contracts forming a part of any West Town Benefit Plans and all amendments thereto, summary plan descriptions and summary of material modifications, summaries of coverage and benefits, IRS Form 5500 (for the three most recently completed plan years), the most recent IRS determination, opinion, notification and advisory letters, with respect thereto and any correspondence from any regulatory agency. In addition, any annual and periodic accounting, service contract, fidelity bonds and employee and participant disclosures pertaining to the West Town Benefit Plans have been made available to Sound Bank.

(c) All West Town Benefit Plans are in substantial compliance in form and operation with all applicable Laws, including ERISA and the Code. Each West Town Benefit Plan that is intended to be qualified under Section 401(a) of the Code (“West Town 401(a) Plan”) has received a favorable determination or opinion letter from the IRS, or is an unmodified adoption of an IRS approved prototype or volume submitter plan document; West Town is not aware of any circumstance that could reasonably be expected to result in revocation of any such favorable determination or opinion letter or the loss of the qualification of such West Town 401(a) Plan under Section 401(a) of the Code; and to the Knowledge of West Town, nothing has occurred that would be expected to result in the West Town 401(a) Plan ceasing to be qualified under Section 401(a) of the Code. To West Town’s Knowledge, all West Town Benefit Plans have been administered in accordance with their terms. There is no pending or, to West Town’s Knowledge, threatened litigation or regulatory action relating to the West Town Benefit Plans. Neither West Town nor any of its Subsidiaries has engaged in a transaction with respect to any West Town Benefit Plan, including a West Town 401(a) Plan that could subject West Town or any of its Subsidiaries to a Tax or penalty under any Law including, but not limited to, Section 4975 of the Code or Section 502(j) of ERISA. No West Town 401(a) Plan has been submitted under or been the subject of an IRS voluntary compliance program submission. There are no audits, investigations, inquiries or proceedings pending or, to the Knowledge of West Town and WTBT, threatened by the IRS or the Department of Labor with respect to any West Town Benefit Plan.

(d) No liability under Subtitle C or D of Title IV of ERISA has been or is expected to be incurred by West Town or any of its Subsidiaries with respect to any ongoing, frozen or terminated “single employer plan,” within the meaning of Section 4001(a)(15) of ERISA, currently or formerly maintained by West Town, any of its Subsidiaries or any entity which is considered an ERISA Affiliate. None of West Town or any ERISA Affiliate has contributed to (or been obligated to contribute to) a “multiemployer plan” within the meaning of Section 3(37) of ERISA at any time and neither West Town nor any of its Subsidiaries has incurred, and does not expect to incur, any withdrawal liability with respect to a multiemployer plan under Subtitle E of Title IV of ERISA (regardless of whether based on contributions of an ERISA Affiliate). No notice of a “reportable event,” within the meaning of Section 4043 of ERISA has been required to

be filed for any West Town Benefit Plan or by any ERISA Affiliate or will be required to be filed in connection with the transactions contemplated by this Agreement.

(e) All contributions required to be made with respect to all West Town Benefit Plans have been timely made or have been reflected on the West Town Financial Statements. No West Town Benefit Plan or single-employer plan of an ERISA Affiliate has an “accumulated funding deficiency” (whether or not waived) within the meaning of Section 412 of the Code or Section 302 of ERISA, and no ERISA Affiliate has an outstanding funding waiver.

(f) Except as otherwise provided in a West Town Benefit Plan disclosed in West Town Disclosure Schedule Section 4.16(a), none of West Town, WTBT, nor any West Town Benefit Plan provides or has any liability to provide life insurance, medical or other employee welfare benefits to any West Town Employee upon his or her retirement or termination of employment for any reason, except as may be required by Law, and neither West Town nor any Subsidiary has ever represented or contracted (whether in oral or written form) to any West Town Employee (either individually, or to such Employees as a group) that such West Town Employee(s) would be provided with life insurance, medical or other employee welfare benefits, upon their retirement or termination of employment, except to the extent required by Law.

(g) All West Town Benefit Plans that are group health plans have been operated in substantial compliance with the group health plan continuation requirements of Section 4980B of the Code and all other applicable sections of ERISA and the Code. West Town may amend or terminate any such West Town Benefit Plan at any time without incurring any liability thereunder for further benefits coverage at any time after such termination.

(h) Except as otherwise provided for in this Agreement or in an agreement disclosed in West Town Disclosure Schedule Section 4.16(a), the execution of this Agreement, shareholder approval of this Agreement or consummation of any of the transactions contemplated by this Agreement will not (i) entitle any West Town Employee to severance pay or any increase in severance pay upon any termination of employment after the date hereof, (ii) accelerate the time of payment or vesting (except as required by law) or trigger any payment or funding (through a grantor trust or otherwise) of compensation or benefits under, increase the amount payable or trigger any other material obligation pursuant to, any of the West Town Benefit Plans, (iii) result in any breach or violation of, or a default under, any of the West Town Benefit Plans, (iv) result in any payment that would be a “parachute payment” to a “disqualified individual” as those terms are defined in Section 280G of the Code, without regard to whether such payment is reasonable compensation for personal services performed or to be performed in the future, (v) limit or restrict the right of West Town or, after the consummation of the transactions contemplated hereby, the Surviving Bank or any of its Subsidiaries, to merge, amend or terminate any of the West Town Benefit Plans, or (vi) result in payments under any of the West Town Benefit Plans for which a deduction would be disallowed by reason of Section 280G of the Code.

(i) Each West Town Benefit Plan that is a nonqualified deferred compensation plan or arrangement is in substantial compliance with Section 409A of the Code, to the extent applicable. All elections made with respect to compensation deferred under an arrangement subject to Section 409A of the Code have been made in accordance with the requirements of Section 409A(a)(4) of the Code, to the extent applicable. Neither West Town nor any of its

Subsidiaries (i) has, to the Knowledge of West Town, taken any action, or failed to take any action, that has resulted or could reasonably be expected to result in the interest and Tax penalties specified in Section 409A(a)(1)(B) of the Code being owed by any participant in a West Town Benefit Plan or (ii) has agreed to reimburse or indemnify any participant in a West Town Benefit Plan for any of the interest and the penalties specified in Section 409A(a)(1)(B) of the Code that may be currently due or triggered in the future.

(j) West Town Disclosure Schedule Section 4.16(j) contains a schedule showing the present value of the monetary amounts payable as of the date specified in such schedule, whether individually or in the aggregate (including good faith estimates of all amounts not subject to precise quantification as of the date of this Agreement, such as Tax indemnification payments in respect of income or excise Taxes), under any employment, change-in-control, severance or similar contract, plan or arrangement with or which covers any present or former director, officer or employee of West Town or any of its Subsidiaries who may be entitled to any such amount if the Merger is consummated and identifying the types and estimated amounts of the in-kind benefits due under any West Town Benefit Plans (other than a plan qualified under Section 401(a) of the Code) for each such person, specifying the assumptions in such schedule and providing estimates of other required contributions to any trusts for any related fees or expenses.

(k) West Town and its Subsidiaries have correctly classified all individuals who directly or indirectly perform services for West Town or any of its Subsidiaries and who are employees of West Town or any of its Subsidiaries as employees, and not as consultants or independent contractors or leased employees, for purposes of each West Town Benefit Plan, ERISA, the Code, unemployment compensation laws, workers' compensation laws, wage and hour and overtime laws, and all other applicable Laws. Further, all employees of West Town and its Subsidiaries have been properly classified as exempt or non-exempt under any applicable Laws relating to regular wages and overtime compensation. Neither West Town or its Subsidiaries is liable for any back payment to any trust or other fund or to any Governmental Authority, with respect to unemployment compensation benefits, social security or other benefits or obligations relating to any individual.

(l) Each West Town Benefit Plan which constitutes a "group health plan" (as defined in ERISA, the Public Health Services Act or the Code) has been operated in compliance with applicable law including, but not limited to, the PPACA, such that there is no reasonable expectation that any Tax or penalty could be imposed pursuant to the PPACA that relates to such group health plan. To the Knowledge of West Town, no condition exists that could cause West Town or any of its Subsidiaries or ERISA Affiliate to be liable for any assessable payment under Section 4980H of the Code. Further, no event has occurred or condition exists that could subject West Town or any of its Subsidiaries or ERISA Affiliate to liability (whether direct or indirect, contingent or otherwise) on account of a violation of the health care requirements of Part 6 or 7 of Title I of ERISA or Section 4980B or 4980D of the Code. West Town and its Subsidiaries have maintained records that are sufficient to satisfy the reporting requirements and have made timely reports as may be required under Sections 6055 and 6056 of the Code, to the extent required.

Section 4.17 Labor and Employment Matters.

(a) Neither West Town nor any of its Subsidiaries is a party to or bound by any express or implied collective bargaining agreement, contract or other agreement or understanding with a labor union or labor organization, and there is no labor union or labor organization seeking to compel West Town or any of its Subsidiaries to bargain with such labor union or organization as to wages or conditions of employment. Neither West Town nor any of its Subsidiaries has engaged in any unfair labor practice (as defined by the National Labor Relations Act), and there is no proceeding pending or, to the Knowledge of West Town or WTBT threatened, asserting that West Town or any of its Subsidiaries has committed an unfair labor practice. There is no strike or other labor dispute involving West Town or any of its Subsidiaries pending or, to the Knowledge of West Town or WTBT, threatened, nor, to the Knowledge of West Town and WTBT, are any of its employees seeking to certify a collective bargaining unit or otherwise engaging in other organizational activity.

(b) West Town and its Subsidiaries are in compliance with all applicable Laws pertaining to employment and employment practices, including but not limited to all laws and regulations relating to wages, hours, overtime, employment discrimination, retaliation, workplace harassment, family and medical leave, sick leave, paid-time off/vacation, disability accommodation, civil rights, safety and health, workers' compensation, pay equity, I-9 employment eligibility verification and the collection and payment of payroll withholding, unemployment, Medicare and/or social security Taxes, except to the extent non-compliance would not result in a Material Adverse Effect.

(c) There are no actions, suits, claims, charges, investigations or other legal proceedings against West Town or any of its Subsidiaries pending, or to West Town's Knowledge, threatened to be brought or filed, by or with any Governmental Authority or arbitrator in connection with the employment of any current or former employee of West Town nor any of its Subsidiaries, including, without limitation, any claim relating to employment discrimination, harassment, retaliation, accommodation, paid leave, equal pay or any other employment related matter arising under applicable Laws.

(d) Except as set forth in West Town Disclosure Schedule Section 4.17, all Employees of West Town and its Subsidiaries are employed at will, and there are no written documents which entitle Employees or consultants or contractors to a specified notice of termination or a fixed term of employment or engagement.

Section 4.18 Tax Matters.

(a) West Town and each of its Subsidiaries has filed all material Tax Returns that it was required to file under applicable Laws, other than Tax Returns that are not yet due or for which a request for extension was timely filed consistent with requirements of applicable Law. All such Tax Returns were correct and complete in all material respects and have been prepared in substantial compliance with all applicable Laws. Except as set forth in West Town Disclosure Schedule Section 4.18, all material Taxes due and owing by West Town or any of its Subsidiaries (whether or not shown on any Tax Return) have been paid other than Taxes that have been reserved or accrued on the consolidated balance sheet of West Town or which West Town or a Subsidiary

is contesting in good faith. Except as set forth in West Town Disclosure Schedule Section 4.18, neither West Town nor any Subsidiary is currently the beneficiary of any extension of time within which to file any Tax Return. Since inception, no claim has been made by any Governmental Authority in a jurisdiction where West Town does not file Tax Returns that it is or may be subject to taxation by that jurisdiction or to any type of Tax for which it has not been filing Tax Returns in that jurisdiction. There are no Liens for Taxes (other than Taxes not yet due and payable) upon any of the assets of West Town or any of its Subsidiaries.

(b) West Town and each of its Subsidiaries, as applicable, have withheld and paid all Taxes required to have been withheld and paid in connection with any amounts paid or owing to any employee, independent contractor, creditor, shareholder or other third party.

(c) No foreign, federal, state, or local tax audits or administrative or judicial Tax proceedings are currently being conducted or to Knowledge are pending with respect to West Town or any of its Subsidiaries. Other than with respect to audits that have already been completed and resolved, neither West Town nor any of its Subsidiaries has received from any foreign, federal, state, or local Taxing authority (including jurisdictions where West Town and or any of its Subsidiaries have not filed Tax Returns) any (i) written notice indicating an intent to open an audit or other review, (ii) request for information related to Tax matters, or (iii) written notice of deficiency or proposed adjustment for any amount of Tax proposed, asserted, or assessed by any taxing authority against West Town or any of its Subsidiaries.

(d) West Town has made available to Sound Bank true and complete copies of the United States federal, state, local, and foreign consolidated income Tax Returns filed with respect to West Town and its Subsidiaries for taxable periods ended December 31, 2015 and 2014, together with correct and complete copies of all examination reports, and statements of deficiencies assessed against or agreed to by West Town or its Subsidiaries, with respect to any Taxes since December 31, 2010. West Town has timely and properly taken such actions in response to and in compliance with any notices that West Town and its Subsidiaries, as applicable, have received from the IRS or any state, local or other Tax authority in respect of information reporting and backup and nonresident withholding as are required by law.

(e) Neither West Town nor any Subsidiary has waived any statute of limitations in respect of Taxes or agreed to any extension of time with respect to a Tax assessment or deficiency.

(f) Neither West Town nor any Subsidiary has been a United States real property holding corporation within the meaning of Code Section 897(c)(2) during the applicable period specified in Code Section 897(c)(1)(A)(ii). West Town and its Subsidiaries have disclosed on their respective federal income Tax Returns all positions taken therein that could give rise to a substantial understatement of federal income Tax within the meaning of Code Section 6662. Neither West Town nor any Subsidiary is party to or bound by any Tax allocation or sharing agreement or similar contract except as disclosed on West Town Disclosure Schedule Section 4.18(f). Neither West Town nor any Subsidiary (i) has been a member of an affiliated group filing a consolidated federal income Tax Return (other than a group the common parent of which was West Town), and (ii) has liability for the Taxes of any individual, bank, corporation, partnership, association, joint stock company, business trust, limited liability company, or unincorporated organization (other than West Town or WTBT) under Treasury Regulations Section 1.1502-6 (or

any similar provision of state, local, or foreign Law), as a transferee or successor, by contract, or otherwise.

(g) The unpaid Taxes of West Town (i) did not, as of December 31, 2016, exceed the reserve for Tax liability (which reserve is distinct and different from any reserve for deferred Taxes established to reflect timing differences between book and Tax income) reflected in the Financial Statements delivered to Sound Bank (rather than in any notes thereto), and (ii) do not exceed that reserve as adjusted for the passage of time in accordance with the past custom and practice of West Town and its Subsidiaries in filing their respective Tax Returns. Since December 31, 2015, neither West Town nor any Subsidiary has incurred any liability for Taxes arising from extraordinary gains or losses, as that term is used in GAAP, outside the Ordinary Course of Business.

(h) West Town has not distributed stock of another Person or had its stock distributed by another Person in a transaction that was purported or intended to be governed in whole or in part by Sections 355 or 361 of the Code.

(i) Neither West Town nor any Subsidiary has participated in an international boycott within the meaning of Section 999 of the Code.

(j) Neither West Town nor any Subsidiary is or has been a party to any “reportable transaction” as defined in Code Section 6707A(c)(1) and Treasury Regulations Section 1.6011-4(b).

(k) Neither West Town nor WTBT is, has ever been, or has ever owned an interest in (i) a “passive foreign investment company” within the meaning of Sections 1291 through 1298 of the Code or (ii) a “controlled foreign corporation” within the meaning of Section 957 of the Code. Neither West Town nor WTBT has ever had a “permanent establishment” in any foreign country as defined in any applicable Tax treaty or convention between the United States and such foreign country.

(l) As of the date of this Agreement it is the present intention, and as of the day of the Effective Time it will be the present intention, of West Town and Interim Bank to continue, either through Interim Bank or through a member of West Town’s qualified group” (as defined in Treasury Regulations Section 1.368-1(d)(4)), at least one significant historic business line of Sound Bank, or to use at least a significant portion of Sound Bank’s historic business assets in a business, in each case within the meaning of Treasury Regulations Section 1.368-1(d). As of the date of this Agreement and as of the date of the Effective Time, neither West Town, Interim Bank, nor any “related person” (as defined in Treasury Regulations Section 1.368-1(e)(4)) to West Town has or will have any plan or intention to redeem or reacquire, either directly or indirectly, any of the West Town Common Stock issued to the shareholders of Sound Bank in connection with the Merger. As of the date of this Agreement and as of the date of the Effective Time, West Town and Interim Bank do not have and will not have any plan or intention to sell or otherwise dispose of any of the assets of Sound Bank acquired in the Merger, except for dispositions made in the ordinary course of business or transfers described in Section 368(a)(2)(C) of the Code or described and permitted in Treasury Regulations Section 1.368-2(k).

Section 4.19 Loans; Nonperforming and Classified Assets.

(a) Except as set forth in West Town Disclosure Schedule Section 4.19, as of the Disclosure Date, neither West Town nor any of its Subsidiaries is a party to any written or oral loan, loan agreement, note or borrowing arrangement (including, without limitation, leases, credit enhancements, commitments, guarantees and interest-bearing assets) (collectively, “Loans”), under the terms of which the obligor was, as of December 31, 2016, over 60 days delinquent in payment of principal or interest. West Town Disclosure Schedule Section 4.19 identifies (x) each Loan that as of December 31, 2016 was classified as “Special Mention,” “Substandard,” “Doubtful,” “Loss,” “Classified,” “Criticized,” “Credit Risk Assets,” “Concerned Loans,” “Watch List” or words of similar import by WTBT or any bank examiner, together with the principal amount of and accrued and unpaid interest on each such Loan and the identity of the borrower thereunder and (y) each asset of WTBT that as of December 31, 2016 was classified as other real estate owned (“OREO”) and the book value thereof as of December 31, 2016. Set forth in West Town Disclosure Schedule Section 4.19 is a true and correct copy of WTBT’s Policy Exception Report as of December 31, 2016.

(b) Each Loan held in WTBT’s loan portfolio (“West Town Loan”) (i) is evidenced by notes, agreements or other evidences of indebtedness that are true, genuine and what they purport to be, (ii) to the extent secured, has been secured by valid Liens which have been perfected and (iii) to the Knowledge of West Town, is a legal, valid and binding obligation of the obligor named therein, enforceable in accordance with its terms, subject to bankruptcy, insolvency, fraudulent conveyance and other laws of general applicability relating to or affecting creditors’ rights and to general equity principles.

(c) All currently outstanding West Town Loans were solicited, originated and currently exist in material compliance with all applicable requirements of Law and WTBT’s lending policies at the time of origination of such West Town Loans, and the loan documents with respect to each such West Town Loan are complete and correct. There are no oral modifications or amendments or additional agreements related to the West Town Loans that are not reflected in the written records of WTBT. All such West Town Loans are owned by WTBT free and clear of any Liens, other than as set forth in West Town Disclosure Schedule Section 4.19. No claims of defense as to the enforcement of any West Town Loan have been asserted in writing against WTBT for which there is a reasonable possibility of an adverse determination, and West Town has no Knowledge of any acts or omissions which would give rise to any claim or right of rescission, set-off, counterclaim or defense for which there is a reasonable possibility of an adverse determination to West Town. Except for loan participations and as otherwise set forth on West Town Disclosure Schedule Section 4.19, none of the West Town Loans are presently serviced by third parties, and there is no obligation which could result in any West Town Loan becoming subject to any third party servicing.

(d) Neither West Town nor WTBT is party to any agreement or arrangement with (or otherwise obligated to) any Person which obligates West Town or WTBT to repurchase from any such Person any Loan or other asset of West Town or WTBT, unless there is a material breach of a representation or covenant by West Town or its Subsidiaries.

Section 4.20 Allowance for Loan Losses. WTBT's allowance for loan losses as reflected in the latest balance sheet included in the West Town Audited Financial Statements and in the balance sheet included in the West Town Unaudited Financial Statements, was, in the opinion of management, as of each of the dates thereof, in compliance with WTBT's existing methodology for determining the adequacy of its allowance for loan losses as well as the standards established by applicable Governmental Authority, the Financial Accounting Standards Board and GAAP.

Section 4.21 Repurchase Agreements. With respect to all agreements pursuant to which West Town or any of its Subsidiaries has purchased securities subject to an agreement to resell, if any, West Town or any of its Subsidiaries, as the case may be, has a valid, perfected first lien or security interest in the government securities or other collateral securing the repurchase agreement, and the value of such collateral equals or exceeds the amount of the debt secured thereby.

Section 4.22 Deposit Insurance. The deposits of WTBT are insured by the FDIC in accordance with the FDIA to the full extent permitted by Law, and WTBT has paid all premiums and assessments and filed all reports required by the FDIA. No proceedings for the revocation or termination of such deposit insurance are pending or, to West Town's Knowledge, threatened.

Section 4.23 CRA, Anti-money Laundering and Customer Privacy and Information Security. Neither West Town, WTBT nor any of their Subsidiaries is a party to any agreement with any individual or group regarding Community Reinvestment Act matters and to West Town's or WTBT's Knowledge (because of WTBT's Home Mortgage Disclosure Act data for the year ended December 31, 2015, filed with the FDIC, or otherwise), except as set forth on West Town Disclosure Schedule Section 4.23, no facts or circumstances exist, which would cause WTBT: (i) to be deemed not to be in compliance with the Community Reinvestment Act, and the regulations promulgated thereunder, or to be assigned a rating for Community Reinvestment Act purposes by federal or state bank regulators of lower than "satisfactory"; or (ii) to be deemed to be operating in violation of the Bank Secrecy Act and its implementing regulations (31 C.F.R. Part 103), the USA PATRIOT Act, any order issued with respect to anti-money laundering by the U.S. Department of the Treasury's Office of Foreign Assets Control, or any other applicable anti-money laundering statute, rule or regulation; or (iii) to be deemed not to be in compliance with the applicable privacy of customer information requirements contained in any federal and state privacy laws and regulations, including, without limitation, in the Fair Credit Reporting Act, including any amendments thereto and regulations promulgated thereunder, Title V of the Gramm-Leach-Bliley Act of 1999 and regulations promulgated thereunder (the "GLB Act"), as well as the provisions of the information security program adopted by WTBT pursuant to 12 C.F.R. Part 364. Furthermore, the board of directors of WTBT has adopted and WTBT has implemented an anti-money laundering program that contains adequate and appropriate customer identification verification procedures that has not been deemed ineffective by any Governmental Authority and that meets the requirements of Sections 352 and 326 of the USA PATRIOT Act. To West Town's and WTBT's Knowledge, neither West Town, WTBT nor any of their Subsidiaries has experienced, or reported, an event that constitutes a Security Breach since January 1, 2014.

Section 4.24 Transactions with Affiliates. Except as set forth in West Town Disclosure Schedule Section 4.24 and for changes in the Ordinary Course of Business in the amounts set forth therein between the Disclosure Date and the date of this Agreement, there are no outstanding amounts payable to or receivable from, or advances by West Town or any of its Subsidiaries to,

and neither West Town nor any of its Subsidiaries is otherwise a creditor or debtor to, any director, Executive Officer, five percent (5%) or greater shareholder or other Affiliate of West Town or any of its Subsidiaries, or to the Knowledge of West Town, any person, corporation or enterprise controlling, controlled by or under common control with any of the foregoing, other than part of the normal and customary terms of such persons' employment or service as a director with West Town or any of its Subsidiaries and other than deposits held by WTBT in the Ordinary Course of Business. Except as set forth in West Town Disclosure Schedule Section 4.24, neither West Town nor any of its Subsidiaries is a party to any transaction or agreement with any of its respective directors, Executive Officers or other Affiliates. All agreements between West Town and any of its Affiliates comply, to the extent applicable, with Regulation W of the Federal Reserve.

Section 4.25 Insurance.

(a) West Town Disclosure Schedule Section 4.25 identifies all of the material insurance policies, binders, or bonds currently maintained by West Town and its Subsidiaries (the "West Town Insurance Policies"), including the insurer, policy numbers, amount of coverage, effective and termination dates and any pending claims thereunder involving more than \$10,000. West Town and each of its Subsidiaries is insured with reputable insurers against such risks and in such amounts as the management of West Town reasonably has determined to be prudent in accordance with industry practices. All the West Town Insurance Policies are in full force and effect, neither West Town nor any Subsidiary has received notice of cancellation of any of the West Town Insurance Policies or is otherwise aware that any insurer under any of the West Town Insurance Policies has expressed an intent to cancel any such West Town Insurance Policies, and neither West Town nor any of its Subsidiaries is in default thereunder and all claims thereunder have been filed in due and timely fashion.

(b) West Town Disclosure Schedule Section 4.25 sets forth a true, correct and complete description of any and all BOLI owned by West Town or its Subsidiaries as of the Disclosure Date, including the value of such BOLI as of December 31, 2016.

Section 4.26 Antitakeover Provisions. No "control share acquisition," "business combination moratorium," "fair price" or other form of antitakeover statute or regulation is applicable to this Agreement and the transactions contemplated hereby.

Section 4.27 Disclosure. The representations and warranties contained in this ARTICLE IV, when considered as a whole and with the West Town Disclosure Schedules, do not contain any untrue statement of a material fact or omit to state any material fact necessary in order to make not misleading the statements and information contained in this ARTICLE IV.

Section 4.28 No Knowledge of Breach. West Town has no Knowledge of any facts or circumstances that would result in Sound Bank being in breach on the date of execution of this Agreement of any representations and warranties of Sound Bank set forth in ARTICLE III.

Section 4.29 Fairness Opinion. Prior to the execution of this Agreement, West Town has received a written opinion of FIG Partners, LLC to the effect that, as of the date thereof and based upon and subject to the factors, assumptions, limitations and other matters set forth therein, the Merger Consideration to be paid to Sound Bank shareholders is fair from a financial point of view

to the shareholders of West Town. Such opinion has been made available to Sound Bank and has not been amended or rescinded as of the date of this Agreement.

Section 4.30 Private Placement. As of the date hereof, West Town has entered into securities purchase agreements (the "SPAs") (executed copies of which have been made available to Sound Bank and the form of which is included with West Town Disclosure Schedule Section 4.30) for the sale of an aggregate of 453,490 authorized but unissued shares of West Town Common Stock at a price of \$23.00 per share and for the sale of an aggregate of 30,738 authorized but unissued shares of West Town non-voting convertible perpetual preferred stock at a price of \$230.00 per share, aggregating gross proceeds of \$17,500,010, before offering fees and expenses (the "Private Placement Proceeds"). As of the date hereof, and assuming valid execution by the respective investor, such SPAs are in full force and effect and enforceable in accordance with their terms (except as enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium, fraudulent transfer and similar laws of general applicability relating to or affecting creditors' rights or by general equity principles). The obligations of the investors to purchase those shares and pay the purchase price thereof to West Town are subject only to completion of the Merger and the other conditions contained in the above form of SPA.

ARTICLE V COVENANTS

Section 5.01 Covenants of Sound Bank. During the period from the date of the Original Agreement (except where a different commencement date for the observance or performance of a covenant is specifically referenced in this Section 5.01) and continuing until the Effective Time, except as expressly contemplated or permitted by this Agreement or with the prior written consent of West Town, which prior written consent shall not be unreasonably withheld, conditioned or delayed, Sound Bank shall carry on its business, including the business of each of its Subsidiaries, only in the Ordinary Course of Business and consistent with prudent banking practices, and in compliance in all material respects with all applicable Laws. Without limiting the generality foregoing, Sound Bank and each of its Subsidiaries shall, in respect of loan loss provisioning, securities, portfolio management, compensation and other expense management and other operations which might impact Sound Bank's equity capital, operate only in the Ordinary Course of Business and, where specifically required in this Section 5.01, only with West Town's approval or mutual agreement. Sound Bank will use commercially reasonable efforts to (i) preserve its business organization intact, (ii) keep available to itself and West Town and its Subsidiaries the present services of the current officers and employees of Sound Bank and its Subsidiaries, (iii) preserve for itself and West Town and its Subsidiaries the goodwill of the customers of Sound Bank and others with whom business relationships exist, and (iv) use its commercially reasonable efforts to continue diligent collection efforts with respect to any delinquent loans. Without further limiting the generality of the foregoing provisions in this Section 5.01, and except as set forth in the Sound Bank Disclosure Schedule or as otherwise expressly contemplated or permitted by this Agreement or consented to in writing by West Town, neither Sound Bank nor any of its Subsidiaries shall, subsequent to the date of the Original Agreement:

(a) Stock. (i) Issue, sell or otherwise permit to become outstanding, or authorize the creation of, any additional shares of its stock, any Rights, or any other securities (including units of beneficial ownership interest in any partnership or limited liability company), or enter into any

agreement with respect to the foregoing, other than issuances upon the exercise of Sound Bank Rights that are issued and outstanding as of the date of this Agreement (ii) except as expressly permitted or contemplated by this Agreement or by the agreements pertaining to such Rights, accelerate the vesting of any existing Rights, or (iii) except as expressly permitted by this Agreement, change (or establish a record date for changing) the number of, or provide for the exchange of, shares of its stock, any securities (including units of beneficial ownership interest in any partnership or limited liability company) convertible into or exchangeable for any additional shares of stock, or any Rights issued and outstanding prior to the Effective Time as a result of a stock split, stock dividend, recapitalization, reclassification, or similar transaction with respect to its outstanding stock or any other such securities.

(b) Dividends; Other Distributions. On or after the date of this Agreement, declare, set aside or pay any dividends on or make other distributions (whether in cash or otherwise) in respect of any of its capital stock.

(c) Compensation; Employment Agreements, Etc. Enter into or amend or renew any employment, consulting, severance or similar agreements or arrangements with any director, officer or employee of Sound Bank or any of its Subsidiaries, or grant any salary or wage increase or increase any employee benefit or pay any incentive or bonus payments, except (i) normal increases in compensation to employees in the Ordinary Course of Business and pursuant to policies currently in effect, (ii) as may be required by Law, (iii) to satisfy contractual obligations existing or contemplated as of the Disclosure Date, as previously disclosed to West Town and set forth on Sound Bank Disclosure Schedule Section 5.01(c), and (iv) bonus payments in the Ordinary Course of Business and pursuant to policies currently in effect (including incentive bonus payments and employee Christmas bonuses), *provided* that such bonus payments (A) have been accrued at the time of payment and are consistent with past practice, (B) shall not exceed the aggregate amount of \$150,000, and (C) shall not be paid to any individual for whom such payment would be an “excess parachute payment” as defined in Section 280G of the Code.

(d) Hiring; Promotions. Unless Sound Bank has provided written notice to West Town at least three (3) Business Days prior to such hiring or promotion (i) hire any person as an employee of Sound Bank or any of its Subsidiaries, except for at-will employees at an annual rate of salary not to exceed \$75,000 to fill vacancies that may arise from time to time in the Ordinary Course of Business, or (ii) promote any employee, except to satisfy contractual obligations existing as of the Disclosure Date and set forth on Sound Bank Disclosure Schedule Section 5.01(d), if any.

(e) Benefit Plans. Enter into, establish, adopt, amend, modify or terminate (except (i) as may be required by or to make consistent with applicable Law, subject to the provision of prior written notice to and consultation with respect thereto with West Town, (ii) to satisfy contractual obligations existing as of the Disclosure Date and set forth on Sound Bank Disclosure Schedule Section 5.01(e), (iii) as previously disclosed to West Town and set forth on Sound Bank Disclosure Schedule Section 5.01(e), or (iv) as may be required pursuant to the terms of this Agreement) any Sound Bank Benefit Plan or other pension, retirement, stock option, stock purchase, savings, profit sharing, deferred compensation, consulting, bonus, group insurance or other employee benefit, incentive or welfare contract, plan or arrangement, or any trust agreement (or similar arrangement) related thereto, in respect of any current or former director, officer or employee of Sound Bank or any of its Subsidiaries.

(f) Transactions with Affiliates. Except pursuant to agreements or arrangements in effect on the Disclosure Date and set forth on Sound Bank Disclosure Schedule Section 5.01(f), pay, loan or advance any amount to, or sell, transfer or lease any properties or assets (real, personal or mixed, tangible or intangible) to, or enter into any agreement or arrangement with, any of its officers or directors or any of their immediate family members or any Affiliates or associates (as such terms are defined under the Exchange Act) of any of its officers or directors other than in the Ordinary Course of Business.

(g) Dispositions. Except in the Ordinary Course of Business, sell, transfer, mortgage, pledge, encumber or otherwise dispose of or discontinue any of its assets, deposits, business or properties or cancel or release any indebtedness owed to Sound Bank or any of its Subsidiaries.

(h) Acquisitions. Acquire (other than by way of foreclosures or acquisitions of control in a bona fide fiduciary capacity or in satisfaction of debts previously contracted in good faith, in each case in the Ordinary Course of Business) all or any portion of the assets, business, deposits or properties of any other entity, except for purchases specifically approved by West Town pursuant to any other applicable paragraph of this Section 5.01.

(i) Capital Expenditures. Except as set forth on Sound Bank Disclosure Schedule Section 5.01(i), make any capital expenditures, other than capital expenditures in the Ordinary Course of Business.

(j) Governing Documents. Amend Sound Bank's Articles of Incorporation or Bylaws or any equivalent documents of Sound Bank's Subsidiaries.

(k) Accounting Methods. Implement or adopt any change in its accounting principles, practices or methods, other than (i) as may be required by applicable Laws or GAAP or (ii) provided at least two (2) Business Days advance written notice is provided to WTBT, as may be recommended by Sound Bank's independent auditors or banking regulators.

(l) Contracts. Except as set forth on Sound Bank Disclosure Schedule Section 5.01(l), enter into, amend, renew, modify or terminate any Sound Bank Material Contract, Sound Bank Lease or Insurance Policy.

(m) Banking Operations. Except as set forth on Sound Bank Disclosure Schedule Section 5.01(m), enter into any new material line of business; change in any material respect its lending, investment, underwriting, risk and asset liability management and other banking and operating policies, except as required by applicable Law, regulation or policies imposed by any Governmental Authority or recommended by Sound Bank's banking regulators; make application for the opening, relocation or closing of any, or open, relocate or close any, branch office, loan production or servicing facility or automated banking facility.

(n) Derivative Transactions. Enter into any Derivative Transaction.

(o) Indebtedness. Incur, modify, extend or renegotiate any indebtedness for borrowed money or assume, guarantee, endorse or otherwise as an accommodation become responsible for the obligations of any other Person (other than creation of deposit liabilities, purchases of federal funds, obtaining Federal Home Loan Bank advances with maturities of less

than two (2) years, and sales of certificates of deposit, which are in each case in the Ordinary Course of Business).

(p) Investment Securities. Acquire (other than (i) by way of foreclosures or acquisitions in a bona fide fiduciary capacity or (ii) in satisfaction of debts previously contracted in good faith), sell or otherwise dispose of any debt security or equity investment, unless such acquisition, sale or disposal is consistent with Sound Bank policy and its Ordinary Course of Business, nor classify any security now held in or subsequently purchased for Sound Bank's investment portfolio as other than "available for sale," as that term is used in ASC 320.

(q) Deposits. Except in the Ordinary Course of Business, make any changes to deposit pricing practices that are not consented to in writing by West Town.

(r) Loans. Except for loans or extensions of credit approved and/or committed as of the Disclosure Date that are listed on Sound Bank Disclosure Schedule Section 5.01(r), make, renew, renegotiate, increase, extend or modify any (i) unsecured loan over \$25,000, (ii) loan over \$250,000 secured by other than a first lien, (iii) loan over \$250,000 in excess of FFIEC regulatory guidelines relating to loan to value ratios, or (iv) any secured loan in an amount in excess of (80%) of Sound Bank's legal lending limit, unless Sound Bank has provided written notice to West Town at least two (2) Business Days prior to making any such proposed loan or extension of credit described in (i) through (iv) above, including a summary of the proposed terms. The limits set forth in (i) through (iv) of this Section 5.01(r) may be increased upon mutual agreement of the parties, provided such adjustments shall be memorialized in writing by all parties thereto.

(s) Investments in Real Estate. Make any investment or commitment to invest in real estate or in any real estate development project in excess of \$5,000; *provided, however*, that nothing in this section shall prohibit Sound Bank from foreclosing on property or accepting a deed in lieu thereof.

(t) Taxes. Except as required by applicable law:

(i) Make or change any material Tax election, file any material amended Tax Return, enter into any material closing agreement, settle or compromise any material liability with respect to Taxes, agree to any material adjustment of any Tax attribute, file any claim for a material refund of Taxes, or consent to any extension or waiver of the limitation period applicable to any material Tax claim or assessment, *provided* that, for purposes of this subsection (u), "material" shall mean affecting or relating to \$25,000 or more in Taxes or \$50,000 or more of taxable income.

(ii) Knowingly take any action that would, or would reasonably be likely to, prevent or impede the Merger from qualifying as a reorganization within the meaning of Section 368(a) of the Code.

(u) Compliance with Agreements. Commit any act or omission which constitutes a material breach or default by Sound Bank under any agreement with any Governmental Authority or under any Sound Bank Material Contract, Sound Bank Lease or other material agreement or material license to which Sound Bank is a party or by which it or its properties are bound or under which it or its assets, business, or operations receives benefits.

(v) Environmental Assessments. Foreclose on any real property or take a deed in lieu thereof or title to any real property other than single-family residential properties without first conducting an ASTM International E1527-13 Phase I Environmental Site Assessment of the real property that satisfies the requirements of 40 CFR Part 312, with an environmental professional acceptable to West Town and including such non-scope items as may be required by West Town, or foreclose on or take a deed in lieu thereof or title to any real estate other than single-family residential properties if such environmental assessment reveals the presence or likely presence of any Hazardous Substances under conditions that indicate an existing release, a past release, or a material threat of a future release of any Hazardous Substances into structures on the real property, including the atmosphere within the structures, or into the atmosphere, ground, ground water, or surface water of the property.

(w) Adverse Actions. Take any action or fail to take, or adopt any resolutions of its board of directors in support of, any action that is intended or is reasonably likely to result in (i) any of its representations and warranties set forth in this Agreement being or becoming untrue in any material respect at any time at or prior to the Effective Time, (ii) any of the conditions to the Merger set forth in ARTICLE VI not being satisfied or (iii) a material violation of any provision of this Agreement, except, in each case, as may be required by applicable Law or regulation or as may be permitted by Section 5.09(f) of this Agreement.

(x) Common Stock Purchase. Directly or indirectly repurchase, redeem or otherwise acquire any shares of its capital stock or any securities convertible into or exercisable for any shares of its capital stock.

(y) Change in Requirement and Standards. Change in any material respects the credit policies and collateral eligibility requirements and standards of Sound Bank.

(z) Commitments. Enter into any contract with respect to, or otherwise agree or commit to do, any of the foregoing.

Section 5.02 Covenants of West Town. During the period from the date of the Original Agreement (except where a different commencement date for the observance or performance of a covenant is specifically referenced in this Section 5.02) and continuing until the Effective Time, except as expressly contemplated or permitted by this Agreement or with the prior written consent of Sound Bank, which prior written consent shall not be unreasonably withheld, conditioned or delayed, West Town and its Subsidiaries shall carry on their respective businesses, including the business of each Subsidiary, only in the Ordinary Course of Business and consistent with prudent banking practices, and in compliance in all material respects with all applicable Laws. Without limiting the generality of the foregoing, West Town and its Subsidiaries shall, in respect of loan loss provisioning, securities portfolio management, compensation and other expense management and other operations which might impact their respective equity capital, operate only in the Ordinary Course of Business and, where specifically required in this 5.02, only with Sound Bank's approval or mutual agreement. West Town and its Subsidiaries will use commercially reasonable efforts to preserve their business organizations intact. Without further limiting the generality of the foregoing provisions in this Section 5.02, and except as set forth in the West Town Disclosure Schedule or as otherwise expressly contemplated or permitted by this Agreement or consented to

in writing by Sound Bank, neither West Town nor any of its Subsidiaries shall, subsequent to the date of the Original Agreement:

(a) Stock. (i) Except as set forth in West Town Disclosure Schedule Section 5.02(a), issue, sell or otherwise permit to become outstanding, or authorize the creation of, any additional shares of its stock, any Rights, or any other securities (including units of beneficial ownership interest in any partnership or limited liability company), or enter into any agreement with respect to the foregoing, other than as compensation to its directors pursuant to any previously approved director compensation plan or issuances upon the exercise of West Town Rights that are issued and outstanding on the date of this Agreement, (ii) except as expressly permitted by this Agreement or by the agreements pertaining to such Rights, accelerate the vesting of any existing Rights, or (iii) except as expressly permitted by this Agreement, change (or establish a record date for changing) the number of, or provide for the exchange of, shares of its stock, any securities (including units of beneficial ownership interest in any partnership or limited liability company) convertible into or exchangeable for any additional shares of stock, or any Rights issued and outstanding prior to the Effective Time, as a result of a stock split, stock dividend, recapitalization, reclassification, or similar transaction with respect to its outstanding stock or any other such securities.

(b) Dividends; Other Distributions. On or after the date of this Agreement, declare, set aside or pay any dividends on or make other distributions (whether in cash or otherwise) in respect of any of its capital stock; provided, however, notwithstanding the foregoing, no prior consent shall be required for cash dividends by WTBT to West Town.

(c) Hiring; Promotions. Unless West Town has provided written notice to Sound Bank at least three (3) Business Days prior to such hiring or promotion (i) hire any person as an employee of West Town or any of its Subsidiaries, except for at-will employees at an annual rate of salary not to exceed \$75,000 to fill vacancies that may arise from time to time in the Ordinary Course of Business, or (ii) promote any employee, except to satisfy contractual obligations existing as of the Disclosure Date and set forth on West Town Disclosure Schedule Section 5.02(c), if any.

(d) Benefit Plans. Enter into, establish, adopt, amend, modify or terminate (except (i) as may be required by or to make consistent with applicable Law, subject to the provision of prior written notice to and consultation with respect thereto with Sound Bank, (ii) to satisfy contractual obligations existing as of the Disclosure Date and set forth on West Town Disclosure Schedule Section 5.02(d), (iii) as previously disclosed to Sound Bank and set forth on West Town Disclosure Schedule Section 5.02(d), or (iv) as may be required pursuant to the terms of this Agreement) any West Town Benefit Plan or other pension, retirement, stock option, stock purchase, savings, profit sharing, deferred compensation, consulting, bonus, group insurance or other employee benefit, incentive or welfare contract, plan or arrangement, or any trust agreement (or similar arrangement) related thereto, in respect of any current or former director, officer or employee of West Town or any of its Subsidiaries.

(e) Transactions with Affiliates. Except pursuant to agreements or arrangements in effect on the Disclosure Date and set forth on West Town Disclosure Schedule Section 5.02(e), pay, loan or advance any amount to, or sell, transfer or lease any properties or assets (real, personal or mixed, tangible or intangible) to, or enter into any agreement or arrangement with, any of its

officers or directors or any of their immediate family members or any Affiliates or associates (as such terms are defined under the Exchange Act) of any of its officers or directors other than in the Ordinary Course of Business.

(f) Dispositions. Except in the Ordinary Course of Business, sell, transfer, mortgage, pledge, encumber or otherwise dispose of or discontinue any of its assets, deposits, business or properties or cancel or release any indebtedness owed to West Town or any of its Subsidiaries.

(g) Acquisitions. Acquire (other than by way of foreclosures or acquisitions of control in a bona fide fiduciary capacity or in satisfaction of debts previously contracted in good faith, in each case in the Ordinary Course of Business) all or any portion of the assets, business, deposits or properties of any other entity, except for purchases specifically approved by Sound Bank pursuant to any other applicable paragraph of this Section 5.02.

(h) Governing Documents. Except as set forth on West Town Disclosure Schedule Section 5.02(h), amend West Town's Articles of Incorporation or Bylaws.

(i) Accounting Methods. Implement or adopt any change in its accounting principles, practices or methods, other than (1) as may be required by applicable Laws or GAAP or (2) provided at least two (2) Business Days advance written notice is provided to Sound Bank, as may be recommended by West Town's independent auditors or it or its Subsidiaries' banking regulators.

(j) Contracts. Except as set forth on West Town Disclosure Schedule Section 5.02(j), enter into, amend, modify or terminate any West Town Material Contract or Insurance Policy.

(k) Banking Operations. Except as set forth on West Town Disclosure Schedule Section 5.02(k), enter into any new material line of business; change in any material respect its lending, investment, underwriting, risk and asset liability management and other banking and operating policies, except as required by applicable Law, regulation or policies imposed by any Governmental Authority or recommended by WTBT's banking regulators; make application for the opening, relocation or closing of any, or open, relocate or close any, branch office, loan production or servicing facility or automated banking facility.

(l) Derivative Transactions. Enter into any Derivative Transaction.

(m) Indebtedness. Except as set forth in West Town Disclosure Schedule Section 5.02(m), incur, modify, extend or renegotiate any indebtedness for borrowed money or assume, guarantee, endorse or otherwise as an accommodation become responsible for the obligations of any other Person (other than creation of deposit liabilities, purchases of federal funds, obtaining Federal Home Loan Bank Advances, and sales of certificates of deposit, which are in each case in the Ordinary Course of Business).

(n) Investment Securities. Acquire (other than (i) by way of foreclosures or acquisitions in a bona fide fiduciary capacity or (ii) in satisfaction of debts previously contracted in good faith), sell or otherwise dispose of any debt security or equity investment, unless such acquisition, sale or disposal is consistent with West Town policy and its Ordinary Course of

Business, nor classify any security now held in or subsequently purchased for WTBT's investment portfolio as other than "available for sale," as that term is used in ASC 320.

(o) Deposits. Except in the Ordinary Course of Business, make any changes to deposit pricing practices that are not consented to in writing by Sound Bank.

(p) Loans. Except for loans or extensions of credit approved and/or committed as of the Disclosure Date that are listed on West Town Disclosure Schedule Section 5.02(p), make, renew, renegotiate, increase, extend or modify any (i) unsecured loan over \$25,000, (ii) loan over \$250,000 secured by other than a first lien, (iii) loan over \$250,000 in excess of FFIEC regulatory guidelines relating to loan to value ratios, or (iv) any secured loan in an amount in excess of (80%) of WTBT's legal lending limit, unless WTBT has provided written notice to Sound Bank at least two (2) Business Days prior to making any such proposed loan or extension of credit described in (i) through (iv) above, including a summary of the proposed terms. The limits set forth in (i) through (iv) of this Section 5.02(p) may be increased upon mutual agreement of the parties, provided such adjustments shall be memorialized in writing by all parties hereto.

(q) Investments in Real Estate. Make any investment or commitment to invest in real estate or in any real estate development project in excess of \$5,000; *provided, however*, that nothing in this section shall prohibit WTBT from foreclosing on property, or accepting a deed in lieu thereof.

(r) Taxes. Except as required by applicable law, knowingly take any action that would, or would be reasonably likely to, prevent or impede the Merger from qualifying as a reorganization within the meaning of Section 368(a) of the Code.

(s) Compliance with Agreements. Commit any act or omission which constitutes a material breach or default by West Town or any Subsidiary under any agreement with any Governmental Authority or under any West Town Material Contract or other material agreement or material license to which West Town or a West Town Subsidiary is a party or by which it or its properties are bound or under which it or its assets, business, or operations receives benefits.

(t) Adverse Actions. Take any action or fail to take, or adopt any resolutions of its board of directors in support of, any action that is intended or is reasonably likely to result in (i) any of its representations and warranties set forth in this Agreement being or becoming untrue in any material respect at any time at or prior to the Effective Time, (ii) any of the conditions to the Merger set forth in ARTICLE VI not being satisfied or (iii) a material violation of any provision of this Agreement, except, in each case, as may be required by applicable Law or regulation.

(u) Common Stock Purchase. Directly or indirectly repurchase, redeem or otherwise acquire any shares of its capital stock or any securities convertible into or exercisable for any shares of its capital stock.

(v) Change in Requirement and Standards. Change in any material respects the credit policies and collateral eligibility requirements and standards of WTBT.

(w) Commitments. Enter into any contract with respect to, or otherwise agree or commit to do, any of the foregoing.

Section 5.03 Commercially Reasonable Efforts. Subject to the terms and conditions of this Agreement, each of the parties to the Agreement agrees to use commercially reasonable efforts in good faith to take, or cause to be taken, all actions, and to do, or cause to be done, all things necessary, proper or advisable under applicable Laws, so as to permit consummation of the transactions contemplated hereby as promptly as practicable, including the satisfaction of the conditions set forth in ARTICLE VI hereof, and shall cooperate fully with the other parties hereto to that end. Without limiting the generality of the foregoing, West Town shall use commercially reasonable efforts to complete its sale of shares of West Town Common Stock described in Section 4.30 of this Agreement on the terms and conditions described in the SPAs.

Section 5.04 Shareholder Approval.

(a) Sound Bank agrees to take, in accordance with applicable Law, the Articles of Incorporation and Bylaws of Sound Bank, all action necessary to convene a meeting of its shareholders to consider and vote upon the approval of this Agreement and any other matters required to be approved by Sound Bank's shareholders in order to permit consummation of the transactions contemplated hereby (including any adjournment or postponement, the "Sound Bank Meeting") and shall take all lawful action to solicit such approval by such shareholders. Sound Bank agrees to use commercially reasonable efforts to convene the Sound Bank Meeting by the later of: (i) 90 days following the date of this Agreement or (ii) 60 days following the date of the Fairness Order issued by the Securities Administrator. Except with the prior approval of West Town, no matters other than the approval of this Agreement and the transactions contemplated thereby and a proposal to authorize adjournment of the Sound Bank Meeting, if necessary or appropriate, shall be submitted for the approval of Sound Bank shareholders at the Sound Bank Meeting. Except to the extent otherwise provided in this Section 5.04 or in Section 5.09, the board of directors of Sound Bank, as a group, shall at all times prior to and during the Sound Bank Meeting recommend approval of this Agreement by the shareholders of Sound Bank and shall not withhold, withdraw, amend, modify, change or qualify such recommendation in a manner adverse in any respect to the interests of West Town or any Subsidiary or take any other action or make any other public statement inconsistent with such recommendation. In the event that there is present at such meeting, in person or by proxy, sufficient favorable voting power to secure the Requisite Sound Bank Shareholder Approval, Sound Bank will not adjourn or postpone the Sound Bank Meeting unless Sound Bank is advised by counsel that failure to do so would result in a breach of the fiduciary duties of Sound Bank's board of directors. Sound Bank shall keep West Town updated with respect to the proxy solicitation results in connection with the Sound Bank Meeting as reasonably requested by West Town.

(b) Notwithstanding Section 5.04(a), and in addition to its rights under Section 5.09(f) below, if, since the date of the Original Agreement, there have been changes, occurrences, effects or events that have resulted in, or that would reasonably be expected to result in, West Town being subject to a Material Adverse Effect, and Sound Bank's board of directors reasonably concludes in good faith, after consultation with and the receipt of the advice of its outside legal counsel and financial advisers, that a recommendation of approval of this Agreement by the shareholders of Sound Bank would violate the directors' fiduciary duties to Sound Bank or to its shareholders under applicable law, then Sound Bank's board of directors may withdraw, qualify or revise its recommendation and submit the Agreement to shareholders at the Sound Bank Meeting without recommendation or with a recommendation against approval and communicate the basis for its

lack of a recommendation or adverse recommendation to the shareholders in its proxy statement or an appropriate amendment or supplement thereto. In addition, following a termination of this Agreement by Sound Bank in the manner provided in Section 7.01(k), its board of directors may withdraw its recommendation and not submit this Agreement and the Merger to a vote of Sound Bank's shareholders.

Section 5.05 Fairness Hearing; Proxy Statement/Offering Circular; Securities Act Compliance.

(a) West Town shall prepare and cause to be filed with the Securities Division of the North Carolina Secretary of State (the "Securities Administrator") an application under Section 78A-30 of the North Carolina Securities Act seeking approval by the Securities Administrator of the issuance and exchange of securities in the Merger and pursuant to this Agreement. West Town and Sound Bank shall use their reasonable best efforts to cause the Securities Administrator to hold a hearing on the terms and conditions of the proposed issuance and exchange of West Town Common Stock in the Merger (the "Fairness Hearing") and to cause the Securities Administrator to issue an order approving the fairness of the terms and conditions of the issuance and exchange of the Merger Consideration (the "Fairness Order"); *provided, however*, that the parties shall not be required to modify any of the terms of this Agreement or the Merger in order to cause the Securities Administrator to approve the fairness of such terms and conditions. West Town and Sound Bank agree to use their reasonable best efforts to cause such other steps to be taken or conditions to be met to cause the issuance of the West Town Common Stock in exchange for Sound Bank Common Stock to be exempt from registration and qualification pursuant to Section 3(a)(10) of the Securities Act of 1933, as amended, and Section 78A-17(16) of the North Carolina General Statutes.

(b) Sound Bank and West Town will cooperate in the preparation of a Proxy Statement/Offering Circular for distribution to Sound Bank's shareholders as Sound Bank's proxy statement relating to its solicitation of proxies for use at the Sound Bank Meeting and as West Town's offering circular relating to its offer and distribution of West Town Common Stock to Sound Bank's shareholders as described herein. The expenses of printing and mailing the Proxy Statement/Offering Circular shall be borne equally by Sound Bank and West Town. The Proxy Statement/Offering Circular shall, in all material respects, be prepared in such form and contain or be accompanied by such information regarding the Sound Bank Meeting, this Agreement, the parties hereto, West Town's business and the West Town Common Stock, the Merger and other transactions described herein and other matters as shall be agreed upon by Sound Bank and West Town. West Town, Sound Bank and their respective legal, financial and accounting advisors, shall have the right to review, comment upon and consult with West Town, Sound Bank and their respective counsel regarding the Fairness Hearing application, the Hearing Notice and the Proxy Statement/Offering Circular prior to their filing, printing and distribution. Sound Bank and West Town each covenants with the other that it will promptly respond to requests by the other and its legal counsel for information reasonably necessary, or that the other party reasonably desires, for inclusion in the Proxy Statement/Offering Circular, for inclusion in applications for Regulatory Approvals and for inclusion in West Town's application described in Section 5.05(a) above. If at any time prior to the Sound Bank Meeting there shall occur any event that should be disclosed in an amendment or supplement to the Proxy Statement/Offering Circular, Sound Bank and West

Town shall use their commercially reasonable efforts to promptly prepare and mail to Sound Bank shareholders such amendment or supplement.

(c) Sound Bank and West Town each covenants with the other that none of the information provided by it for inclusion in the above materials, at the time of the mailing of those materials to Sound Bank's shareholders or at the time of the Fairness Hearing conducted by the Securities Administrator, will contain any untrue statement of a material fact or omit any material fact required to be stated therein or necessary in order to make the statements contained therein, in light of the circumstances under which they were made, not misleading

(d) In the event that either (i) the Fairness Hearing is not available to West Town, (ii) the Fairness Hearing is held but the Securities Administrator does not issue the Fairness Order or (iii) the exemption from registration under Section 3(a)(10) of the Securities Act is otherwise not available in connection with the Merger, then West Town, at its election, will either (A) in accordance with the requirements of Regulation A promulgated under the Securities Act, file an offering statement on Form 1-A qualifying the shares of West Town Common Stock to be issued in the Merger to Sound Bank's shareholders or (B) cause its offer and exchange of West Town Common Stock in the Merger to be registered pursuant to the Securities Act. Except for West Town Common Stock issued to anyone who is an "affiliate" of West Town (within the meaning of Rule 144(a)(1) promulgated pursuant to the Securities Act) or who has been an "affiliate" within the 90 days preceding the date of Merger consummation, in no event will the Merger be structured or completed in a manner, or pursuant to an exemption from registration, that would result in the West Town Common Stock issued to Sound Bank's shareholders being "restricted securities" (as that term is defined in Rule 144 promulgated under the Securities Act). If the Fairness Order is not issued, and it appears that amendments to this Agreement are necessary to permit West Town to use one of the foregoing alternatives, then, at West Town's request, Sound Bank's board of director will consider in good faith any such amendments proposed by West Town; *provided, however,* that any such amendments shall be subject to the mutual agreement of West Town's and Sound Bank's boards of directors, and Sound Bank's board of directors shall have no obligation to consider any such amendment that (i) would change the amount or type of Merger Consideration to be received by the holders of shares of Sound Bank Common Stock, individually or as a group, in the Merger (as determined in the manner provided in Article II), (ii) would change the structure or terms of the Merger, (iii) would cause the Merger not to constitute a tax-free reorganization within the meaning of Section 368(a) of the Code, or (iv) would materially delay or jeopardize receipt of any Regulatory Approval. Any such amendment shall be subject to the provisions of Section 9.02.

(e) Following the Effective Time of the Merger, and to the extent such West Town information is not already made publicly available, West Town agrees to use commercially reasonable efforts to make available adequate public information to satisfy the applicable information requirements of Securities Act Rule 144(c)(2).

Section 5.06 Regulatory Filings; Consents.

(a) Each of West Town and Sound Bank shall cooperate and use their respective commercially reasonable efforts (i) to prepare all documentation (including the Proxy Statement/Offering Circular), to effect all filings, and to obtain all permits, consents, approvals

and authorizations of all third parties and Governmental Authorities necessary to consummate the transactions contemplated by this Agreement, including, without limitation, the Regulatory Approvals and all other consents and approvals of a Governmental Authority required to consummate the Merger in the manner contemplated herein, (ii) to comply with the terms and conditions of such permits, consents, approvals and authorizations and (iii) to cause the transactions contemplated by this Agreement to be consummated as expeditiously as practicable; *provided, however*, that in no event shall either party be required, and West Town and Sound Bank shall not be permitted (without the other party's written consent in its sole discretion), to (i) take any action, or commit to take any action, or agree to any condition or restriction, involving West Town or Sound Bank or any of their respective Subsidiaries pursuant to this Section 5.06 or otherwise in connection with obtaining the foregoing actions, nonactions, permits, consents, authorizations, orders, clearances, waivers or approvals, that would have, or would be reasonably likely to have, individually or in the aggregate, a Material Adverse Effect in respect of itself or the other parties and their respective Subsidiaries, taken as a whole, in each case measured on a scale relative to itself or the other party taken as a whole (including, for the avoidance of doubt, any determination by an Regulatory Agency or other Governmental Authority that the Merger may not be consummated as contemplated herein) (any of the foregoing, a "Burdensome Condition"). West Town and its Subsidiaries and Sound Bank will furnish each other and each other's counsel with all information concerning themselves, their Subsidiaries, directors, trustees, officers and shareholders and such other matters as may be necessary or advisable in connection with the Proxy Statement/Offering Circular and any application, petition or any other statement or application made by or on behalf of West Town, Interim Bank or Sound Bank to any Governmental Authority in connection with the transactions contemplated by this Agreement. Each party hereto shall have the right to review and approve in advance all characterizations of the information relating to such party and any of its Subsidiaries that appear in any filing made in connection with the transactions contemplated by this Agreement with any Governmental Authority. In addition, West Town and its Subsidiaries and Sound Bank shall each furnish to the other for review a copy of each such filing made in connection with the transactions contemplated by this Agreement with any Governmental Authority prior to its filing.

(b) Sound Bank will notify West Town promptly and shall promptly furnish West Town with copies of notices or other communications received by Sound Bank or any of its Subsidiaries of (i) any communication from any Person alleging that the consent of such Person (or another Person) is or may be required in connection with the transactions contemplated by this Agreement (and the response thereto from Sound Bank, its Subsidiaries or its representatives), (ii) subject to applicable Laws and the instructions of any Governmental Authority, any communication from any Governmental Authority in connection with the transactions contemplated by this Agreement (and the response thereto from Sound Bank, its Subsidiaries or its representatives), and (iii) any legal actions threatened or commenced against or otherwise affecting Sound Bank or any of its Subsidiaries that are related to the transactions contemplated by this Agreement (and the response thereto from Sound Bank, its Subsidiaries or its representatives). With respect to any of the foregoing, Sound Bank will consult with West Town and its representatives as often as practicable under the circumstances so as to permit Sound Bank and West Town and their respective representatives to cooperate to take appropriate measures to avoid or mitigate any adverse consequences that may result from any of the foregoing.

(c) West Town will notify Sound Bank promptly and shall promptly furnish Sound Bank with copies of notices or other communications received by West Town or any of its Subsidiaries of (i) any communication from any Person alleging that the consent of such Person (or other Person) is or may be required in connection with the transactions contemplated by this Agreement (and the response thereto from West Town or its representatives), (ii) subject to applicable Laws and the instructions of any Governmental Authority, any communication from any Governmental Authority in connection with the transactions contemplated by this Agreement (and the response thereto from West Town or its representatives), and (iii) any legal actions threatened or commenced against or otherwise affecting West Town or any of its Subsidiaries that are related to the transactions contemplated by this Agreement (and the response thereto from West Town and its Subsidiaries or representatives). With respect to any of the foregoing, West Town will consult with Sound Bank and its representatives as often as practicable under the circumstances so as to permit West Town and Sound Bank and their respective representatives to cooperate to take appropriate measures to avoid or mitigate any adverse consequences that may result from any of the foregoing.

Section 5.07 Publicity. West Town and its Subsidiaries and Sound Bank shall consult with each other before issuing any press release with respect to this Agreement or the transactions contemplated hereby and shall not issue any such press release or make any such public statement without the prior consent of the other parties, which shall not be unreasonably delayed or withheld; *provided, however*, that a party may, without the prior consent of the other parties (but after such consultation, to the extent practicable in the circumstances), issue such press release or make such public statements as may upon the advice of outside counsel be required by Law. Without limiting the reach of the preceding sentence, West Town and its Subsidiaries and Sound Bank shall (i) cooperate to develop all public announcement materials, and (ii) make appropriate management available at presentations related to the transactions contemplated by this Agreement as reasonably requested by the other. In addition, Sound Bank and its Subsidiaries shall coordinate with West Town and its Subsidiaries regarding all communications with customers, suppliers, employees, shareholders, and the community in general related to the transactions contemplated hereby.

Section 5.08 Access; Information.

(a) Sound Bank agrees that upon reasonable notice and subject to applicable Laws relating to the exchange of information, Sound Bank shall afford West Town and its officers, employees, counsel, accountants and other authorized representatives such access during normal business hours at any time and from time to time throughout the period prior to the Effective Time to Sound Bank's and Sound Bank's Subsidiaries' books, records (including, without limitation, Tax Returns and work papers of independent auditors), properties and personnel and to such other information relating to them as West Town may reasonably request and, during such period, shall from time to time furnish promptly to West Town, all information concerning the business, properties and personnel of Sound Bank and its Subsidiaries as West Town may reasonably request. Sound Bank shall not be required to provide access to or to disclose information where such access or disclosure would jeopardize the attorney-client privilege or contravene any Law, order, judgment, decree, fiduciary duty or binding agreement entered into before the date of this Agreement.

(b) West Town agrees that upon reasonable notice and subject to applicable Laws relating to the exchange of information, West Town shall afford Sound Bank and its officers, employees, counsel, accountants and other authorized representatives such access during normal business hours at any time and from time to time throughout the period prior to the Effective Time to West Town's and its Subsidiaries' books, records (including, without limitation, Tax Returns and work papers of independent auditors), properties and personnel and to such other information relating to them as the Sound Bank may reasonably request and, during such period, shall from time to time furnish promptly to Sound Bank all information concerning the business, properties and personnel of West Town and its Subsidiaries as Sound Bank may reasonably request. Neither West Town nor any Subsidiary shall be required to provide access to or to disclose information where such access or disclosure would jeopardize the attorney-client privilege or contravene any Law, order, judgment, decree, fiduciary duty or binding agreement entered into before the date of this Agreement.

(c) No investigation by West Town or its Subsidiaries or their respective representatives shall be deemed to modify or waive any representation, warranty, covenant or agreement of Sound Bank set forth in this Agreement, or the conditions to the respective obligations of West Town, Interim Bank and Sound Bank to consummate the transactions contemplated hereby.

(d) No investigation by Sound Bank or its representatives shall be deemed to modify or waive any representation, warranty, covenant or agreement of West Town set forth in this Agreement, or the conditions to the respective obligations of Sound Bank, Interim Bank and West Town to consummate the transactions contemplated hereby.

Section 5.09 No Solicitation.

(a) Except, in the case of West Town, as expressly contemplated by Section 5.09 of the West Town Disclosure Schedule, each of Sound Bank and West Town agrees that, from, through, and at all times during the period commencing on the date of the Original Agreement and ending on the date the Effective Time occurs (inclusive of such date), neither it nor any of its Subsidiaries, nor any of its and their respective officers, directors, employees, agents, investment bankers, financial advisors, attorneys, accountants and other retained representatives (each, a "Representative") shall, and that it shall cause its Subsidiaries, and its and their respective Representatives, not to, directly or indirectly (i) initiate, solicit, knowingly encourage or facilitate any inquiries or the making of any proposal or offer with respect to, or a transaction to effect, a merger, reorganization, share exchange, consolidation, sale of assets, sale of shares of capital stock (including by way of tender offer), business combination, recapitalization, liquidation, dissolution or similar transaction involving Sound Bank or any of its Subsidiaries or West Town or any of its Subsidiaries, as applicable, that, if consummated, would constitute an Alternative Transaction (any of the foregoing inquiries, proposals or offers being referred to herein as an "Acquisition Proposal"); (ii) participate in any discussions with or provide any confidential information or data to any Person (or Representative of such Person) relating to an Acquisition Proposal or Alternative Transaction, or engage in any negotiations concerning an Acquisition Proposal or Alternative Transaction, or knowingly facilitate any effort or attempt to make or implement an Acquisition Proposal or Alternative Transaction; (iii) approve or execute or enter into any letter of intent, agreement in principle, merger agreement, asset purchase or share exchange agreement, option

agreement or other Contract related to any Acquisition Proposal or Alternative Transaction; or (iv) propose or agree to do any of the foregoing.

(b) As used in this Agreement, “Alternative Transaction” means, with respect to Sound Bank or West Town, as applicable, any of (i) a transaction pursuant to which any Person (or group of Persons) other than, in the case of Sound Bank, West Town and its Affiliates, or in the case of West Town, Sound Bank and its Affiliates, directly or indirectly, acquires or would acquire more than 20% of the outstanding shares of Sound Bank Common Stock or West Town Common Stock, as applicable, or outstanding voting power of Sound Bank or West Town, as applicable, or more than 20% of the outstanding shares or voting power of any other series or class of capital stock of Sound Bank or West Town, as applicable, that would be entitled to a vote with respect to the Merger, whether from Sound Bank or West Town, as applicable, or pursuant to a tender offer or exchange offer or otherwise; (ii) a merger, share exchange, consolidation or other business combination involving Sound Bank or West Town, as applicable (in each case, other than the Merger); (iii) any transaction pursuant to which any Person (or group of Persons) other than, in the case of Sound Bank, West Town or its Affiliates, or in the case of West Town, Sound Bank or its Affiliates, acquires or would acquire control of assets of Sound Bank or West Town, as applicable, or any of its Subsidiaries representing more than 20% of the fair market value of all the assets, deposits, net revenues or net income of Sound Bank or West Town, as applicable, and its Subsidiaries, taken as a whole, immediately prior to such transaction; or (iv) any other consolidation, business combination, recapitalization or similar transaction involving Sound Bank or West Town, as applicable, or any of their respective Subsidiaries, other than the transactions contemplated by this Agreement, as a result of which the holders of shares of Sound Bank Common Stock or West Town Common Stock, as applicable, immediately prior to such transaction do not, in the aggregate, own at least 80% of each of the outstanding shares of Sound Bank Common Stock or West Town Common Stock, as applicable, and the outstanding voting power of the surviving or resulting entity in such transaction immediately after the consummation thereof in substantially the same proportion as such holders held the shares of Sound Bank Common Stock or West Town Common Stock, as applicable, immediately prior to the consummation thereof. Notwithstanding anything in this Agreement to the contrary, those transactions set forth on Section 5.09 of the West Town Disclosure Schedule shall not be deemed to constitute an Alternative Transaction or an Acquisition Proposal.

(c) Notwithstanding the foregoing, the board of directors of Sound Bank and the board of directors of West Town shall each be permitted, prior to the Sound Bank Meeting to be held pursuant to Section 5.04, and subject to compliance with the other terms of this Section 5.09 and to first entering into a confidentiality agreement having provisions that are no less favorable to such party than those contained in the Nondisclosure Agreement, to engage in discussions and negotiations with, or provide any nonpublic information or data to, any Person in response to an unsolicited bona fide written Acquisition Proposal by such Person first made after the date of the Original Agreement that did not result from a breach of this Section 5.09 and which the board of directors of Sound Bank or West Town, as applicable, concludes in good faith (after consultation with its outside legal counsel and financial advisors) constitutes or is reasonably likely to result in a Superior Proposal, if and only to the extent that the directors of Sound Bank or West Town, as applicable, conclude in good faith (after consultation with their outside legal counsel) that failure to do so would be reasonably likely to violate their fiduciary duties under applicable Law. Sound Bank and West Town, as applicable, shall provide the other with a copy of any nonpublic

information or data provided to any Person pursuant to the prior sentence prior to or simultaneously with furnishing such information to such Person.

(d) Each party shall notify the other party promptly (but in no event later than 24 hours) after receipt of any Acquisition Proposal, or any request for nonpublic information relating to such party or any of its Subsidiaries by any Person that informs such party or any of its Subsidiaries that it is considering making, or has made, an Acquisition Proposal, or any inquiry from any Person seeking to have discussions or negotiations with such party relating to a possible Acquisition Proposal or Alternative Transaction. Such notice shall be made orally and confirmed in writing, and shall indicate the identity of the Person making the Acquisition Proposal, inquiry or request and the material terms and conditions of any inquiries, proposals or offers (including a copy thereof if in writing and any related documentation or correspondence). Each party shall also promptly, and in any event within 24 hours, notify the other party, orally and in writing, if it enters into discussions or negotiations concerning any Acquisition Proposal or Alternative Transaction or provides nonpublic information or data to any Person in accordance with Section 5.09(c) and keep the other party informed of the status and terms of any such proposals, offers, inquiries, discussions or negotiations on a current basis, including by providing a copy of all material documentation or correspondence relating thereto.

(e) Except as provided in Section 5.04 and Section 5.09(f), neither the board of directors of Sound Bank nor any committee thereof shall withhold, withdraw or modify in any manner adverse to West Town or its Subsidiaries, or propose publicly to withhold, withdraw or modify in any manner adverse to West Town or its Subsidiaries, the approval, recommendation or declaration of advisability by the board of directors of Sound Bank or any such committee thereof with respect to this Agreement or the transactions contemplated hereby (a “Change in Sound Bank Recommendation”).

(f) Notwithstanding anything in this Agreement to the contrary, with respect to an Acquisition Proposal, the board of directors of Sound Bank may make a Change in Sound Bank Recommendation if and only if (A) an unsolicited bona fide written Acquisition Proposal (that did not result from a breach of this Section 5.09) is made to Sound Bank by a third party and such Acquisition Proposal is not withdrawn, (B) the board of directors of Sound Bank has concluded in good faith (after consultation with its outside legal counsel and financial advisors) that such Acquisition Proposal constitutes a Superior Proposal, (C) the directors of Sound Bank have concluded in good faith (after consultation with their outside legal counsel) that failure to do so would be reasonably likely to violate their fiduciary duties under applicable Law, (D) five (5) Business Days shall have elapsed since Sound Bank has given written notice to West Town advising West Town that Sound Bank intends to take such action and specifying in reasonable detail the reasons therefor, including the terms and conditions of any such Acquisition Proposal that is the basis of the proposed action (a “Notice of Recommendation Change”) (it being understood that any amendment to any material term of such Acquisition Proposal shall require a new Notice of Recommendation Change, except that, in such case, the Business Day period referred to in this clause (D) and in clauses (E) and (F) shall be reduced to three Business Days following the giving of such new Notice of Recommendation Change), (E) during such five (5) Business Day period, Sound Bank has considered and, at the reasonable request of West Town, engaged in good faith discussions with West Town regarding, any adjustment or modification of the terms of this Agreement proposed by the other party, and (F) the directors of Sound Bank,

following such five Business Day period, again reasonably determine in good faith (after consultation with its outside legal counsel and its financial advisors, and taking into account any adjustment or modification of the terms of this Agreement proposed by West Town) that such Acquisition Proposal nonetheless continues to constitute a Superior Proposal and that failure to take such action would violate their fiduciary duties under applicable Law.

(g) For purposes of this Agreement, “Superior Proposal” for Sound Bank or West Town means an unsolicited, bona fide written Acquisition Proposal made by a third Person (or group of Persons acting in concert within the meaning of Rule 13d-5 under the Exchange Act) to acquire, directly or indirectly, pursuant to a tender offer, exchange offer, merger, consolidation or other business combination or acquisition transaction, (A) all or substantially all of the assets of Sound Bank or West Town, as applicable, or (B) all of the outstanding voting securities of Sound Bank or West Town, as applicable, and, which the board of directors of Sound Bank or West Town, as applicable, has in good faith determined (taking into account, among other things, (1) its consultation with its outside legal counsel and its financial advisors and (2) the terms and conditions of such Acquisition Proposal and this Agreement (as it may be proposed to be amended by West Town or Sound Bank, as applicable)), to be more favorable, from a financial point of view, to Sound Bank’s shareholders or West Town’s shareholders, as applicable, than the transactions contemplated by this Agreement (as it may be proposed to be amended by West Town or Sound Bank, as applicable) and to be reasonably capable of being consummated on the terms proposed, taking into account all other legal, financial, regulatory and other aspects of such Acquisition Proposal and the Person making the proposal.

(h) Nothing contained in this Section 5.09 shall prohibit either party or its Subsidiaries from issuing a “stop, look and listen” statement pending disclosure of its position thereunder; *provided, however*, that the issuance of any such statement shall not in any way limit or modify the effect that taking such action has under any other provision of this Agreement, including Section 7.01(g), as applicable; *provided, further*, that any such statement that addresses or relates to the approval, recommendation or declaration of advisability by the board of directors of such party, as applicable, with respect to this Agreement or an Acquisition Proposal or Alternative Transaction shall be deemed to be a Change in Sound Bank Recommendation, unless the Sound Bank board of directors, in connection with such communication publicly states that its recommendation with respect to this Agreement and the transactions contemplated hereby has not changed or refers to its prior recommendation, without disclosing any Change in Sound Bank Recommendation.

(i) Each of Sound Bank and West Town agrees that it (i) will and will cause its Subsidiaries, and its and their Representatives to, cease immediately and terminate any and all existing activities, discussions or negotiations with any third parties conducted heretofore with respect to any Acquisition Proposal or Alternative Transaction and (ii) will not release any third party from, or waive any provisions of, any confidentiality or standstill agreement to which it or any of its Subsidiaries is a party with respect to any Acquisition Proposal or Alternative Transaction. Each of Sound Bank and West Town agrees that it will promptly inform its and its Subsidiaries’ respective Representatives of the obligations undertaken in this Section 5.09.

(j) Sound Bank shall not submit to the vote of its shareholders any Acquisition Proposal or Alternative Transaction other than this Agreement and the Merger prior to the termination of this Agreement.

Section 5.10 Indemnification.

(a) From and after the Effective Time, and subject to Section 5.10(b)(iv), West Town and Surviving Bank shall indemnify, defend and hold harmless the present and former directors, officers and employees of Sound Bank and its Subsidiaries (the “Indemnified Parties”), against all costs or expenses (including reasonable attorney’s fees), judgments, fines, losses, claims, damages, settlements or liabilities as incurred, in connection with any claim, action, suit, proceeding or investigation, whether civil, criminal, administrative or investigative (each, a “Claim”), arising out of actions or omissions of such Persons in the course of performing their duties for Sound Bank occurring at or before the Effective Time (including the transactions contemplated hereby), to the maximum extent as such persons may be indemnified or may receive the advancement of expenses pursuant to the Articles of Incorporation and Bylaws of Sound Bank or its Subsidiaries in effect on the date of this Agreement or under applicable law.

(b) Any Indemnified Party wishing to claim indemnification under this Section 5.10 shall promptly notify West Town and the Surviving Bank upon learning of any Claim, *provided* that failure to so notify shall not affect the obligation of West Town and the Surviving Bank under this Section 5.10, unless, and only to the extent that, West Town or the Surviving Bank is actually and materially prejudiced in the defense of such Claim as a consequence. In the event of any such Claim (whether arising before or after the Effective Time), (i) West Town and the Surviving Bank shall have the right to assume the defense thereof and West Town and the Surviving Bank shall not be liable to such Indemnified Parties for any legal expenses of other counsel or any other expenses subsequently incurred by such Indemnified Parties in connection with the defense thereof unless any Indemnified Party reasonably determines that the counsel selected is not capable of properly defending the Claim or would have a conflict of interest in doing so, in which case West Town, the Surviving Bank and the Indemnified Party shall select alternate counsel acceptable to all parties, or, at West Town and the Surviving Bank’s election, West Town and the Surviving Bank also shall pay that Indemnified Party the reasonable fees and disbursements of separate counsel selected by the Indemnified Party, (ii) the Indemnified Parties will cooperate in the defense of any such matter, (iii) West Town and Surviving Bank shall not be liable for any settlement effected without their prior written consent, (iv) West Town and the Surviving Bank shall have no right in connection with any such defense or the resolution of any Claim to impose any cost, restriction, limitation or condition of any kind that compromises an Indemnified Party without the consent of that Indemnified Party, and (v) West Town and Surviving Bank shall have no obligation hereunder to an Indemnified Party if such indemnification would be in violation of any applicable federal or state Law or regulation or in the event that a Governmental Authority or a court of competent jurisdiction shall determine that indemnification of an Indemnified Party in the manner contemplated hereby is prohibited by applicable Laws and regulations.

(c) For a period of six years following the Effective Time, the Surviving Bank shall provide director’s and officer’s liability insurance (herein, “D&O Insurance”) that serves to reimburse the present and former officers and directors of Sound Bank or its Subsidiaries (determined as of the Effective Time) with respect to claims against such directors and officers

arising from facts or events occurring before the Effective Time (including the transactions contemplated hereby), which insurance will contain at least the same coverages and amounts, and contain terms and conditions no less advantageous to the Indemnified Party, as that coverage currently provided by Sound Bank; *provided* that if Sound Bank is unable to maintain or obtain the insurance called for by this Section 5.10 prior to the Effective Time, Sound Bank will provide, and the Surviving Bank shall maintain, as much comparable insurance as is reasonably available; and *provided, further*, that officers and directors of Sound Bank or its Subsidiaries may be required to make application and provide customary representations and warranties to the carrier of the D&O Insurance for the purpose of obtaining such insurance. Whether or not Sound Bank shall procure such coverage, in no event shall Sound Bank expend, or West Town or the Surviving Bank be required to expend, for such D&O Insurance an aggregate premium amount, for all years of coverage, in excess of \$35,000 (the “Maximum D&O Tail Premium”). If the cost of such D&O Insurance exceeds the Maximum D&O Tail Premium, Sound Bank, West Town or the Surviving Bank, as applicable, shall obtain D&O Insurance coverage or a separate D&O Insurance policy with the greatest coverage available for a cost not exceeding the Maximum D&O Tail Premium.

(d) If Surviving Bank or any of its successors and assigns (i) shall consolidate with or merge into any other corporation or entity and shall not be the continuing or surviving corporation or entity of such consolidation or merger, or (ii) shall transfer all or substantially all of its property and assets to any individual, corporation or other entity, then, in each such case, proper provision shall be made so that the successors and assigns of Surviving Bank shall assume the obligations set forth in this Section 5.10.

(e) The provisions of this Section 5.10 are intended to be for the benefit of, and shall be enforceable by each Indemnified Party, and each Indemnified Party’s heirs and personal and legal representatives.

Section 5.11 Employees; Benefit Plans.

(a) All Sound Bank Employees at the Effective Time will become employees of Interim Bank as the Surviving Bank. The continued retention by Surviving Bank of such employees subsequent to the Effective Time shall be subject to West Town’s normal and customary employment procedures and practices, including customary background screening and evaluation procedures, and satisfactory employment performance. Sound Bank agrees, upon West Town’s reasonable request, to facilitate discussions between West Town and Sound Bank Employees a reasonable time in advance of the Closing Date regarding employment, consulting or other arrangements to be effective prior to or following the Effective Time. Prior to the Effective Time, any interaction between Sound Bank’s employees and West Town shall be coordinated by Sound Bank.

(b) Sound Bank Employees as of the date of the Agreement (other than those listed on Sound Bank Disclosure Schedule Section 5.11 who are parties to an employment, change in control or other type of agreement that provides for severance or other compensation upon a change in control) who remain employed by Sound Bank or any of its Subsidiaries as of the Effective Time and whose employment is terminated by the Surviving Bank (absent termination for cause as determined by the employer in its sole discretion) within 180 days after the Effective Time shall receive severance pay equal to two weeks of base weekly pay for each completed year

of employment service commencing with any such employee's most recent hire date with Sound Bank or any of its Subsidiaries and ending with such employee's termination date with the Surviving Bank, with a maximum payment equal to 26 weeks of base pay and a minimum equal to 4 weeks of base pay. Any such severance payment paid hereunder (or bonus in lieu thereof) is conditioned upon the employee's execution of a general release of claims in favor of West Town, Surviving Bank and their respective management employees in a form reasonably acceptable to West Town and its counsel that is executed within any consideration period required by applicable Law and that is not revoked within any legally-prescribed revocation period. The severance payment will be made on the later of the day following the expiration of any revocation period or 30 days after such employee's termination date; provided, however, that no employee will have the authority or discretion to directly or indirectly designate the date on which the payment will be made. Such severance payments will be in lieu of any severance pay plans that may be in effect at Sound Bank or any of its Subsidiaries prior to the Effective Time. No officer or employee of Sound Bank or any Subsidiary is, or shall be, entitled to receive duplicative severance payments and benefits under (i) an employment or severance agreement; (ii) a severance or change in control plan; (iii) this section; or (iv) any other plan, program or arrangement.

(c) Not later than fifteen (15) Business Days prior to the Closing Date, Sound Bank shall, to the extent directed by West Town and to the extent permitted by Law, (i) take all action required to cause any Sound Bank Benefit Plan that has liabilities in respect of its participants, to be fully funded to the extent necessary to pay out all required benefits, (ii) terminate every Sound Bank Benefit Plan that, under the terms thereof may be terminated by Sound Bank without the consent of the one or more Sound Bank Employees covered thereby, no later than immediately prior to the Closing Date and (iii) pay out or commence the process to pay out any vested benefits under every such terminated Sound Bank Benefit Plan to participating and eligible Sound Bank Employees in such form or forms as required or permitted by the terms of such Plans (as they may be permissibly amended by Sound Bank) and as permitted or required under applicable Law. Sound Bank Employees shall be entitled to participate in West Town Benefit Plans to the same extent as similarly-situated employees of West Town's Subsidiaries, including Surviving Bank (it being understood that inclusion of Sound Bank Employees in the West Town Benefit Plans may occur at different times with respect to different plans) or as required by applicable Law. Sound Bank Employees shall be given credit for prior service or employment with Sound Bank for purposes of waiting periods, eligibility, vesting and years of service (but not benefit accrual) purposes under any West Town Benefit Plans. Notwithstanding the foregoing, West Town or its Subsidiaries, as applicable, may amend or terminate any West Town Benefit Plan at any time in its sole discretion (provided that no such amendment or termination shall treat former employees of Sound Bank any differently than other employees of West Town's Subsidiaries, including Surviving Bank, except as may be imposed by law).

(d) If employees of Sound Bank become eligible to participate in a medical, dental or health plan of West Town or Surviving Bank upon termination of such plan of Sound Bank, West Town shall cause each such plan to (i) waive any preexisting condition limitations to the extent such conditions are covered under the applicable medical, health or dental plans of West Town, (ii) provide full credit under such plans for any deductible, co-payment and out-of-pocket expenses incurred by the employees and their beneficiaries during the portion of the calendar year prior to such participation and (iii) waive any waiting period limitation or evidence of insurability requirement which would otherwise be applicable to such employee on or after the Effective Time,

in each case to the extent such employee had satisfied any similar limitation or requirement under an analogous plan prior to the Effective Time for the plan year in which the Effective Time occurs.

(e) Surviving Bank shall honor, and the Surviving Bank or West Town shall assume and be obligated to perform, all employment, severance, deferred compensation, retirement or “change-in-control” agreements, plans or policies of Sound Bank set forth in Sound Bank Disclosure Schedule Section 5.11. Nothing herein shall limit the ability of West Town or Surviving Bank to amend or terminate any of the Sound Bank Benefit Plans or West Town Benefit Plans in accordance with and to the extent permitted under their terms at any time, subject to any required consents and the vested rights of employees and directors that may not be terminated pursuant to the terms of such Sound Bank Benefit Plans.

(f) Nothing in this Section 5.11, express or implied, is intended to confer upon any other Person any rights or remedies of any nature whatsoever under or by reason of this Section 5.11. Without limiting the foregoing, no provision of this Section 5.11 will create any third party beneficiary rights in any current or former employee, director or consultant of Sound Bank or its Subsidiaries in respect of continued employment (or resumed employment) or any other matter. Nothing in this Section 5.11 is intended (i) to amend any Sound Bank Benefit Plan or any West Town Benefit Plan, (ii) interfere with West Town’s or the Surviving Bank’s right from and after the Closing Date to amend or terminate any Sound Bank Benefit Plan that is not terminated prior to the Effective Time or West Town Benefit Plan, (iii) interfere with West Town’s or any of its Subsidiaries’ right from and after the Effective Time to terminate the employment or provision of services by any director, employee, independent contractor or consultant or (iv) interfere with West Town’s indemnification obligations set forth in Section 5.10.

Section 5.12 Notification of Certain Changes. West Town and Sound Bank shall each promptly advise the other parties of any change or event having, or which could reasonably be expected to have, a Material Adverse Effect with respect to itself or any of its respective Subsidiaries or which it believes would, or which could reasonably be expected to, cause or constitute a material breach of any of its or its respective Subsidiaries’ representations, warranties or covenants contained herein. From time to time prior to the Effective Time (and on the date prior to the Closing Date), West Town and Sound Bank will supplement or amend their respective Disclosure Schedules delivered in connection with the execution of this Agreement to reflect any matter which, if existing, occurring or known at the date of this Agreement, would have been required to be set forth or described in such Disclosure Schedule or which is necessary to correct any information in such Disclosure Schedule which has been rendered materially inaccurate thereby. No supplement or amendment to any Disclosure Schedule or provision of information relating to the subject matter of any Disclosure Schedule after the date of this Agreement shall have any effect for the purpose of determining satisfaction of the conditions set forth in Section 6.02(a) or Section 6.03(a) hereof, as the case may be, or compliance by West Town and its Subsidiaries or Sound Bank with the respective covenants and agreements of such parties set forth herein.

Section 5.13 Current Information. During the period from the date of this Agreement to the Effective Time, each of Sound Bank and West Town will cause one or more of its designated representatives to confer on a regular and frequent basis (not less than weekly) with representatives of the other party and to report the general status of the ongoing operations of Sound Bank and

West Town. Without limiting the foregoing, Sound Bank and West Town each agree to provide to the other a copy of each report filed by it or any of its Subsidiaries with a Governmental Authority within one Business Day following the filing thereof.

Section 5.14 Board Packages.

(a) Sound Bank shall distribute a copy of any Sound Bank board package, including the agenda and any draft minutes, to West Town at the same time and in the same manner in which it distributes a copy of such package to the board of directors of Sound Bank; *provided, however*, that Sound Bank shall not be required to copy West Town on any documents that disclose confidential discussions of this Agreement or the transactions contemplated hereby or any other matter that Sound Bank's board of directors has been advised by counsel that such distribution to West Town may violate a confidentiality obligation or fiduciary duty or any Law or regulation, or may result in a waiver of Sound Bank's attorney-client privilege.

(b) West Town shall distribute a copy of any West Town board package, including the agenda and any draft minutes, to Sound Bank at the same time and in the same manner in which it distributes a copy of such package to the board of directors of West Town; *provided, however*, that West Town shall not be required to copy Sound Bank on any documents that disclose confidential discussions of this Agreement or the transactions contemplated hereby or any other matter that West Town's board of directors has been advised by counsel that such distribution to Sound Bank may violate a confidentiality obligation or fiduciary duty or any Law or regulation, or may result in a waiver of West Town's attorney-client privilege.

Section 5.15 Transition; Informational Systems Conversion. From and after the date hereof, West Town and Sound Bank shall use their commercially reasonable efforts to facilitate the integration of Sound Bank with the business of West Town following consummation of the transactions contemplated hereby, and the parties shall meet on a regular basis to discuss and plan for the conversion and/or integration of the data processing and related electronic informational systems of Sound Bank (the "Informational Systems Conversion") to those used by West Town, which planning shall include, but not be limited to, (a) discussion of third-party service provider arrangements of Sound Bank and each of its Subsidiaries; (b) non-renewal or changeover, after the Effective Time, of personal property leases and software licenses used by Sound Bank and each of its Subsidiaries in connection with the systems operations; (c) retention of outside consultants and additional employees to assist with the conversion; (d) outsourcing, as appropriate after the Effective Time, of proprietary or self-provided system services; and (e) any other actions necessary and appropriate to facilitate the conversion and/or integration, as soon as practicable following the Effective Time.

Section 5.16 Certain Litigation. In the event that any shareholder litigation related to this Agreement or the Merger and the other transactions contemplated by this Agreement is brought, or, to Sound Bank's Knowledge, threatened, against Sound Bank and/or the members of the board of directors of Sound Bank prior to the Effective Time, Sound Bank shall give West Town the opportunity to participate in the defense or settlement of such litigation, and no such settlement shall be agreed to without West Town's prior written consent (not to be unreasonably withheld). Sound Bank shall promptly notify West Town of any such shareholder litigation brought, or threatened, against Sound Bank and/or members of the board of directors of Sound Bank within

one Business Day after Sound Bank receives notice of any such claim or threat, and shall keep West Town reasonably informed with respect to the status thereof.

Section 5.17 Coordination.

(a) Prior to the Effective Time, Sound Bank shall cooperate with West Town to better prepare the parties for integration of the operations of Sound Bank with West Town and its Subsidiaries. Without limiting the foregoing, senior officers of Sound Bank and West Town shall meet from time to time as West Town may reasonably request, and in any event not less frequently than monthly, to review the financial and operational affairs of Sound Bank, and Sound Bank shall give due consideration to West Town's input on such matters, with the understanding that, notwithstanding any other provision contained in this Agreement, West Town shall not, under any circumstance, be permitted to exercise control of Sound Bank or any of its Subsidiaries prior to the Effective Time. Sound Bank shall permit representatives of West Town to be onsite at Sound Bank to facilitate integration of operations and assist with any other coordination efforts as necessary.

(b) Upon West Town's reasonable request, prior to the Effective Time and consistent with GAAP and applicable banking laws and regulations, each of Sound Bank and its Subsidiaries shall modify or change its loan, OREO, accrual, reserve, tax, litigation and real estate valuation policies and practices (including loan classifications and levels of reserves) so as to be applied on a basis that is consistent with that of West Town's other Subsidiaries. In order to promote a more efficient and orderly integration of operations of Sound Bank with West Town's existing operations, from the date of execution of this Agreement and prior to the Effective Time, as more particularly set forth in and subject to the provisions of Section 5.01(p), Sound Bank shall use commercially reasonable efforts to sell or otherwise divest itself of such investment securities and loans as are identified by West Town and agreed to in writing between Sound Bank and West Town from time to time prior to the Closing Date, such identification to include a statement as to West Town's business reasons for such divestitures. Notwithstanding the foregoing, no such modifications, changes or divestitures of the type described in this Section 5.17(b) need be made prior to the satisfaction of the conditions set forth in Section 6.01(a) and Section 6.01(b).

(c) Sound Bank shall, consistent with GAAP and regulatory accounting principles, use its commercially reasonable efforts to implement at West Town's request internal control procedures which are consistent with West Town's current internal control procedures, *provided, however*, that no such modifications, changes or divestitures need be made prior to the satisfaction of the conditions set forth in Section 6.01(a) and Section 6.01(b).

(d) No accrual or reserve or modification or change in policy or procedure made, or action taken, by Sound Bank or any of its Subsidiaries pursuant to this Section 5.17 shall **(i)** constitute or be deemed to be a breach, violation of or failure to satisfy any representation, warranty, covenant, agreement, condition or other provision of this Agreement, to have resulted in a Material Adverse Effect with respect to any party hereto, or otherwise be considered in determining whether any such breach, violation, failure to satisfy or Material Adverse Effect shall have occurred **(ii)** be deemed to imply any misstatement of previously furnished financial statements or information, or **(iii)** be construed as concurrence of Sound Bank or its management with any such accrual, reserve, modification, change or action.

(e) Subject to Section 5.17(b), West Town and Sound Bank shall cooperate (i) to minimize any potential adverse impact to West Town under Financial Accounting Standards Board Accounting Standards Codification Topic 805 (Business Combinations), and (ii) to maximize potential benefits to West Town under Code Section 382 in connection with the transactions contemplated by this Agreement, in each case consistent with GAAP, the rules and regulations of the SEC and applicable banking laws and regulations.

Section 5.18 Confidentiality. The parties' confidentiality obligations shall continue to be governed by and remain subject to the Nondisclosure Agreement. For purposes of interpreting the definition of "Purpose" set forth in the Nondisclosure Agreement, such "Purpose" shall not be deemed to have been completed any earlier than the consummation of the Merger or the termination of this Agreement.

Section 5.19 Tax Covenants of West Town and Surviving Bank. After the Effective Time, West Town and the Surviving Bank:

(a) Will not take any action that could reasonably be expected to cause the Merger to fail to qualify as a reorganization under Section 368(a) of the Code;

(b) Will maintain all books and records and file all federal, state and local income Tax Returns and schedules thereto in a manner consistent with the Merger's being qualified as a reorganization and nontaxable exchange under Section 368(a)(1)(A) of the Code (and comparable provisions of any applicable state or local Tax Laws), except to the extent that the Merger is determined in a final administrative or judicial decision not to qualify as a reorganization within the meaning of Code Section 368(a);

(c) Will, either directly or through a member of West Town's "qualified group" within the meaning of Treasury Regulations Section 1.368-1(d)(4)(ii) (the "Qualified Group"), continue at least one significant historic business line of Sound Bank, or use at least a significant portion of the historic business assets of Sound Bank in a business, in each case within the meaning of Treasury Regulations Section 1.368-1(d), except that the historic business assets of Sound Bank may be transferred (i) to a corporation that is another member of West Town's Qualified Group, or (ii) to an entity subject to federal income Tax as a partnership if (A) one or more members of West Town's Qualified Group have active and substantial management functions as a partner with respect to such historic business or historic business assets of Sound Bank, or (B) members of West Town's Qualified Group in the aggregate own an interest in the partnership representing a significant interest in the historic business or historic business assets of Sound Bank, in each case within the meaning of Treasury Regulations Section 1.368-1(d)(4)(iii); and

(d) Will not sell or otherwise dispose of any of the assets of Sound Bank acquired in the Merger for which it will have any present intention or expectation at the Effective Time to sell or otherwise dispose, except for dispositions made in the ordinary course of business or transfers described in Section 368(a)(2)(C) of the Code or described and permitted in Treasury Regulations Section 1.368-2(k).

Section 5.20 Real Property Matters.

(a) At its option and expense, following the date of this Agreement West Town and its Subsidiaries may cause to be conducted (i) a title examination, physical survey, zoning compliance review and structural inspection of any or all of the owned property (and improvements thereon) set forth in Sound Bank Disclosure Schedule Section 3.30 (the “Sound Bank Real Property”) (collectively, any such examinations, surveys, reviews and inspections, the “Property Examination”); (ii) site inspections, environmental assessments, historic reviews and regulatory analyses of any or all of the Sound Bank Real Property, together with such other studies, testing and sampling (including intrusive sampling) and analyses as West Town shall deem necessary or desirable (collectively, the “Environmental Survey”) and (iii) a review of the Sound Bank Leases to determine whether third-party consents or approvals are required and whether any additional filings are required to protect Sound Bank’s interest under the Sound Bank Leases; *provided, however*, that any investigation or reviews conducted by or on behalf of West Town shall be performed in such a manner as will not interfere unreasonably with Sound Bank’s normal operations. If requested by or on behalf of West Town (and, in any event, with respect to required landlord consents, prior to Closing), Sound Bank shall seek from each landlord under the Sound Bank Leases an estoppel certificate concerning the relevant Sound Bank Lease, approval of any assignment or deemed assignment (by operation of law or otherwise) of the Sound Bank Leases at Closing, and if contemplated by the terms of any Sound Bank Leases, the execution and registration of a memorandum of lease for each of the Sound Bank Leases. If, in the course of the Property Examination or Environmental Survey, West Town identifies one or more “Material Defects” (as defined below), West Town will give prompt written notice thereof to Sound Bank describing the facts or conditions constituting each such Material Defect.

(b) For purposes of this Agreement, a “Material Defect” shall include:

(i) the existence of any lien (other than the lien of real property Taxes not yet due and payable), encumbrance, title imperfection or title irregularity relating to any of the Sound Bank Real Property or the Sound Bank Leases, including without limitation the existence of any facts or circumstances that adversely affect Sound Bank’s ability to enforce any Sound Bank Lease or its rights in any leasehold interest thereunder;

(ii) the existence of any zoning restriction, easement, or use limitations, covenant or other restriction, or the existence of any facts or conditions that constitute a breach of representations and warranties contained in Section 3.18 or Section 3.30, relating or with respect to any of the Sound Bank Real Property or the Sound Bank Leases, in either such case that West Town reasonably believes will materially and adversely affect its use of that real property for the purpose for which and in the manner in which it currently is used or, in the case of the Sound Bank Real Property, the value or marketability of such real property;

(iii) the existence of any structural defects or conditions of disrepair in the improvements on any parcel of the Sound Bank Real Property or on any parcel of real property subject to the Sound Bank Leases (the “Leased Real Property”) (including any equipment, fixtures or other components related thereto);

(iv) the existence of facts or circumstances relating to any of the Sound Bank Real Property or the Leased Real Property and indicating that (A) there likely has been a discharge, disposal, release, threatened release or emission by any person of any Hazardous Substance on, from, under, at, impacting or relating to that Sound Bank Real Property or Leased Real Property or (B) any action has been taken or not taken, or a condition or event likely has occurred or exists, with respect to that Sound Bank Real Property (including, without limitation, any removal or disposal of materials from the Sound Bank Real Property) or that Leased Real Property which may constitute a violation of any Environmental Law or any contract or other agreement between Sound Bank and any other person or entity, as to which, in either such case, West Town reasonably believes, based on the advice of legal counsel or other consultants, that, before or after the Effective Time, Sound Bank or West Town, respectively, could incur costs or become responsible or liable for assessment, removal, remediation, monetary damages (including without limitation any liability to other persons for property damage or personal injury) or civil, criminal or administrative fines or penalties or other corrective action.

(c) In the event that:

(i) West Town reasonably believes that (A) the total of the costs and expenses that Sound Bank or West Town and Interim Bank could incur in fully correcting all Material Defects identified by West Town that are described in Section 5.20(b)(i), (iii) and/or (iv) above, plus (B) all other amounts for which Sound Bank or West Town and Interim Bank could become responsible or liable related to all those Material Defects as described in Section 5.20(b)(iv)), in either case whether before or after the Effective Time, exceeds an aggregate of \$250,000, or

(ii) West Town identifies one or more Material Defects described in Section 5.20(b)(ii) above,

then West Town, Interim Bank and WTBT shall have the right and option, exercisable upon written notice to Sound Bank, to terminate this Agreement. In the event that, following their investigation of any such Material Defects, West Town, Interim Bank and WTBT conclude that they will terminate this Agreement as provided in the preceding sentence, they will give prompt written notice of termination to Sound Bank; *provided, however*, that West Town, Interim Bank and WTBT shall not be obligated to give any such notice while they continue in good faith to investigate, or to determine the nature and cost of potential corrective actions, if any, to remedy, any such Material Defect, but, following its discovery of an actual or suspected Material Defect, and during such continuing investigation, West Town shall provide information to Sound Bank regarding any such actual or suspected Material Defect and keep Sound Bank informed as to its findings and the progress of West Town's investigation; and, *provided, further*, that such notice of termination shall not be effective if (A) such Material Defect is curable by Sound Bank without additional expenditures or costs for corrective action, and (B) prior to the earlier of (1) within thirty (30) days of receipt of such notice of termination or (2) two (2) Business Days prior to the Termination Date, Sound Bank does in fact cure such Material Defect.

(d) It is contemplated that West Town and Interim Bank will conduct portions of the Property Examination and the Environmental Survey following the date of this Agreement and prior to the Effective Time. It is the intent of this Agreement, and Sound Bank understands and agrees that, upon completion of the Property Examination and Environmental Survey, if any of the

facts, conditions, circumstances or other matters revealed by the Property Examination, Environmental Survey or other activities described in Section 5.20(a) reveal a Material Defect, then West Town, Interim Bank and WTBT may exercise their rights under this Section 5.20 without regard to any actual knowledge on or prior to the date of this Agreement on the part of West Town, its Subsidiaries, or their respective officers or advisers of that Material Defect or the facts, conditions, circumstances or other matters pertaining thereto and without regard to any matter set forth in the Sound Bank Disclosure Schedule, or any other communication to West Town, its Subsidiaries, or any of their respective officers or advisers, prior to the date of this Agreement, or otherwise.

ARTICLE VI CONDITIONS TO CONSUMMATION OF THE MERGER

Section 6.01 Conditions to Obligations of the Parties to Effect the Merger. The respective obligations of West Town, Interim Bank and Sound Bank to consummate the Merger are subject to the fulfillment or, to the extent permitted by applicable Law, written waiver by the parties hereto prior to the Closing Date of each of the following conditions:

(a) Shareholder Vote. This Agreement and the transactions contemplated hereby shall have received the Requisite Sound Bank Shareholder Approval at the Sound Bank Meeting.

(b) Regulatory Approvals. All Regulatory Approvals required to consummate the Merger in the manner contemplated herein shall have been obtained and shall remain in full force and effect, and all statutory waiting periods in respect thereof, if any, shall have expired or been terminated. None of such Regulatory Approvals shall impose any term, condition or restriction upon the Surviving Bank or any of its Subsidiaries that West Town or Sound Bank, after consultation with the other parties, reasonably determines is a Burdensome Condition.

(c) No Injunctions or Restraints; Illegality. No judgment, order, injunction or decree issued by any court or agency of competent jurisdiction or other legal restraint or prohibition preventing the consummation of any of the transactions contemplated hereby shall be in effect. No statute, rule, regulation, order, injunction or decree shall have been enacted, entered, promulgated or enforced by any Governmental Authority that prohibits or makes illegal the consummation of any of the transactions contemplated hereby.

(d) Tax Opinion Relating to the Merger. Sound Bank and West Town shall have received an opinion from Wyrick Robbins Yates & Ponton LLP, or such other counsel or accountants as the parties mutually select, dated as of the Closing Date, in substance and form reasonably satisfactory to Sound Bank and West Town to the effect that, on the basis of the facts, representations and assumptions set forth in such opinion, the Merger will be treated for federal income tax purposes as a “reorganization” within the meaning of Section 368(a) of the Code. In rendering its opinion, Wyrick Robbins Yates & Ponton LLP may require and rely upon representations contained in certificates of officers of each of Sound Bank, West Town, Interim Bank and WTBT, in form and substance reasonably acceptable to such counsel.

(e) Employment Agreement. The employment agreement between S. Phillip Collins and Interim Bank dated even date herewith shall remain in full force and effect.

Section 6.02 Conditions to Obligations of Sound Bank. The obligations of Sound Bank to consummate the Merger also are subject to the fulfillment or written waiver by Sound Bank prior to the Closing Date of each of the following conditions:

(a) Representations and Warranties. The representations and warranties of West Town set forth in this Agreement shall be true and correct in all respects as of the date of this Agreement and at and as of the Closing Date, except where the failure of such representations and warranties of West Town to be true and correct, individually or in the aggregate, has not had and would not reasonably be expected to have, a Material Adverse Effect on West Town, WTBT or Sound Bank (it being understood that, for purposes of determining the accuracy of such representations and warranties, all “Material Adverse Effect” qualifications and other materiality qualifications and similar qualifications contained in such representations and warranties shall be disregarded). Sound Bank shall have received a certificate, dated as of the Closing Date, signed on behalf of West Town by its chief executive officer and another executive officer to such effect.

(b) Performance of Obligations of West Town. West Town shall have performed and complied with all of its obligations, agreements and covenants under this Agreement in all material respects at or prior to the Closing Date, excluding breaches of obligations, agreements and covenants that have not had, and are not reasonably likely to have, individually or in the aggregate, a Material Adverse Effect on West Town, WTBT or Sound Bank, and Sound Bank shall have received a certificate, dated the Closing Date, signed on behalf of West Town by its chief executive officer and another executive officer to such effect.

(c) Other Actions. West Town and WTBT shall have furnished Sound Bank with such certificates of their officers and such other documents to evidence fulfillment of the conditions set forth in Section 6.01 and Section 6.02 as Sound Bank may reasonably request.

(d) No Material Adverse Effect. Since the date of this Agreement (i) no change, occurrence, effect or event has occurred which has resulted in West Town and its Subsidiaries being subject to a Material Adverse Effect and (ii) no condition, event, fact, circumstance or other occurrence has occurred that would reasonably be expected to have or result in such parties being subject to a Material Adverse Effect.

(e) Net Worth. The consolidated shareholders’ equity of West Town, calculated before adjustments for (i) unrealized gains or losses net of income taxes on available for sale securities included in accumulated other comprehensive income and (ii) one-time merger related charges, including contract termination fees, charges for payments to officers, directors and employees of Sound Bank, West Town, or WTBT related to the Merger under or upon the termination of or vesting of benefits under employment agreements and other compensatory plans and arrangements, and reasonable costs of attorney, investment banking and other consulting fees related to the Merger and this Agreement, calculated in accordance with GAAP as of the close of business on the last day of the month preceding the Effective Time, shall be equal to or greater than \$26 million (exclusive of the Private Placement Proceeds).

(f) Private Placement. The SPAs shall remain enforceable and in full force and effect and shall not have been withdrawn or terminated, and (i) West Town shall have received the Private Placement Proceeds or (ii) the gross Private Placement Proceeds for those new shares shall

have been paid by the respective investors into an escrow account and be held pending release to West Town subject only to and simultaneous with the Closing.

(g) Compliance with Law. West Town and WTBT shall have complied in all material respects with all federal and state laws and regulations applicable to the transactions described in this Agreement, with the exception of violations or events of noncompliance which have not had and are not reasonably likely to have, individually or in the aggregate, a Material Adverse Effect on West Town, WTBT or Sound Bank.

(h) West Town Common Stock. Each share of West Town Common Stock to be issued to shareholders of Sound Bank in the Merger, when issued in accordance with the terms of this Agreement, (i) will be duly authorized, validly issued, fully paid and nonassessable, and will not be issued in violation of, nor will they be subject to, preemptive rights of any person, (ii) will not be "restricted securities" as defined in Rule 144(a)(3) of the Securities Act, and (iii) will be freely tradable in the hands of shareholders of Sound Bank, other than as provided in Rule 144 in the case of those shareholders who become "affiliates" (as that term is defined in Rule 144) of West Town.

Section 6.03 Conditions to Obligations of West Town and Interim Bank. The obligations of West Town and Interim Bank to consummate the Merger also are subject to the fulfillment or written waiver by West Town prior to the Closing Date of each of the following conditions:

(a) Sound Bank Common Stock. The number of shares of Sound Bank Common Stock outstanding as of the Closing Date of this Agreement shall not exceed 1,884,951 shares (the "Maximum Share Count").

(b) Representations and Warranties. The representations and warranties of Sound Bank and its Subsidiaries set forth in this Agreement shall be true and correct in all respects as of the date of this Agreement and at and as of the Closing Date, except where the failure of such representations and warranties of Sound Bank to be true and correct, individually or in the aggregate, has not had and would not reasonably be expected to have, a Material Adverse Effect on Sound Bank (it being understood that, for purposes of determining the accuracy of such representations and warranties, all "Material Adverse Effect" qualifications and other materiality qualifications and similar qualifications contained in such representations and warranties shall be disregarded). West Town shall have received a certificate dated as of the Closing Date, signed on behalf of Sound Bank by Sound Bank's chief executive officer and principal financial officer to such effect.

(c) Performance of Obligations of Sound Bank. Sound Bank shall have performed and complied with all of its obligations, agreements and covenants under this Agreement in all material respects at or prior to the Closing Date, excluding breaches of obligations, agreements and covenants that have not had, and are not reasonably likely to have, individually or in the aggregate, a Material Adverse Effect on West Town, Interim Bank, WTBT or Sound Bank, and West Town shall have received a certificate, dated the Closing Date, signed on behalf of Sound Bank by Sound Bank's chief executive officer and principal financial officer to such effect.

(d) Other Actions. Sound Bank's board of directors shall have approved this Agreement and the transactions contemplated hereby and shall not have (i) withheld, withdrawn or modified (or publicly proposed to withhold, withdraw or modify), in a manner adverse to West Town, Interim Bank or WTBT, its recommendation referred to in Section 5.04, (ii) approved or recommended (or publicly proposed to approve or recommend) any Acquisition Proposal, or (iii) allowed Sound Bank or any of its Subsidiaries to, enter into any letter of intent, memorandum of understanding, agreement in principle, acquisition agreement, merger agreement or other agreement relating to any Acquisition Proposal. Sound Bank shall have furnished West Town, Interim Bank and WTBT with such certificates of its officers or others and such other documents to evidence fulfillment of the conditions set forth in Section 6.01 and this Section 6.03 as West Town, Interim Bank and WTBT may reasonably request.

(e) No Material Adverse Effect. Since the date of this Agreement (i) no change, occurrence, effect or event has occurred which has resulted in either Sound Bank or any of its Subsidiaries being subject to a Material Adverse Effect and (ii) no condition, event, fact, circumstance or other occurrence has occurred that would reasonably be expected to have or result in such parties being subject to a Material Adverse Effect.

(f) Support Agreements. The Support Agreements shall have been executed and delivered at, or prior to, the date of this Agreement by the individuals identified in Sound Bank Disclosure Schedule Section 6.03(f).

(g) Net Worth. The shareholders' equity of Sound Bank, calculated before adjustments for (i) unrealized gains or losses net of income taxes on available for sale securities included in accumulated other comprehensive income (ii) one-time merger related charges, including contract termination fees, charges for payments to officers, directors and employees related to the Merger under or upon the termination of or vesting of benefits under employment agreements and other compensatory plans and arrangements, and reasonable costs of attorney, investment banking and other consulting fees related to the Merger and this Agreement, and (iii) the impact of charges, accounting entries or changes, and other actions made or taken by Sound Bank at West Town's request pursuant to Section 5.15 above, calculated in accordance with GAAP as of the close of business on the last day of the month preceding the Effective Time, shall be equal to or greater than \$16 million.

(h) Appraisal Rights. The holders of no more than 10% of the aggregate outstanding shares of Sound Bank Common Stock shall have properly notified Sound Bank under Article 13 of the NCBCA that they intend to exercise their rights to appraisal.

(i) Private Placement. West Town shall have received the Private Placement Proceeds or the gross Private Placement Proceeds shall have been paid by the respective purchasers into an escrow account and be held pending release to West Town subject only to and simultaneous with the Closing.

(j) Settlement, Waiver and Release Agreements. Sound Bank and those employees of Sound Bank set forth on Sound Bank Disclosure Schedule Section 6.03 shall have executed and delivered to West Town prior to the execution of this Agreement the Settlement, Waiver and Release Agreements dated even date herewith, which (1) are substantially in the form attached to,

and supersede and replace, those agreements attached to Sound Bank Disclosure Schedule Section 6.03, (2) include Interim Bank as a releasee, (3) and such agreements shall remain in full force and effect.

(k) Compliance with Law. Sound Bank shall have complied in all material respects with all federal and state laws and regulations applicable to the transactions described in this Agreement, with the exception of violations or events of noncompliance which have not had and are not reasonably likely to have, individually or in the aggregate, a Material Adverse Effect on West Town, Interim Bank, WTBT or Sound Bank.

(l) Landlord Estoppel Certificates; Consents. Sound Bank shall have obtained from each landlord under the Sound Bank Leases and delivered to West Town (i) an estoppel certificate, in form reasonably satisfactory to West Town, confirming, among other things, the existence of, basic terms of, completeness of, and no defaults under the respective Sound Bank Lease and (ii) to the extent, in West Town's reasonable judgment, a consent is required under the Sound Bank Leases, a written consent to assignment, or deemed assignment, of each Sound Bank Lease to Interim Bank on terms consistent with those in effect under each Sound Bank Lease on the date of this Agreement.

Section 6.04 Frustration of Closing Conditions. No party to this Agreement may rely on the failure of any condition set forth in Section 6.01, Section 6.02 or Section 6.03, as the case may be, to be satisfied if such failure was caused by such party's failure to use commercially reasonable efforts to consummate any of the transactions contemplated hereby, as required by and subject to Section 5.03.

ARTICLE VII TERMINATION

Section 7.01 Termination. This Agreement may be terminated, and the transactions contemplated hereby may be abandoned:

(a) Mutual Consent. At any time prior to the Effective Time, by unanimous written consent of West Town, Interim Bank, WTBT and Sound Bank if their respective boards of directors so determine by majority vote.

(b) No Regulatory Approval. By West Town, Interim Bank, WTBT or Sound Bank, if their respective boards of directors so determines by a vote of a majority of the members of the entire board, in the event any Regulatory Approval required for consummation of the transactions contemplated by this Agreement shall have been denied by final, non-appealable action by such Governmental Authority or an application therefor shall have been permanently withdrawn at the request of a Governmental Authority.

(c) No Shareholder Approval. By West Town, Interim Bank, WTBT or Sound Bank if the Sound Bank Meeting shall have concluded and the Requisite Sound Bank Shareholder Approval shall not have been obtained, unless the failure to obtain the Requisite Sound Bank Shareholder Approval was due to a material breach of this Agreement by the party seeking to terminate this Agreement (including, without limitation, in the case of Sound Bank, a breach of its obligations under Section 5.04).

(d) Breach of Representations and Warranties. By either West Town and its Subsidiaries, on the one hand, or Sound Bank on the other hand (*provided* that the terminating party is not then in material breach of any representation, warranty, covenant or other agreement contained herein in a manner that would entitle the other party to not consummate the Merger), if there shall have been a material breach in a representation or warranty by the other party and such breach has or is reasonably likely to have, individually or in the aggregate, a Material Adverse Effect on either the breaching party or the non-breaching party, and which breach is not cured prior to the earlier of (i) thirty (30) days following written notice to the party committing such breach from the other party hereto or (ii) two (2) Business Days prior to the Termination Date, or which breach, by its nature, cannot be cured prior to the Termination Date.

(e) Breach of Covenants. By either West Town and its Subsidiaries on the one hand or Sound Bank on the other hand (*provided* that the terminating party is not then in material breach of any representation, warranty, covenant or other agreement contained herein in a manner that would entitle the other party not to consummate the Merger) if there shall have been a material breach of any of the obligations, covenants or agreements set forth in this Agreement on the part of the other party and such breach has or is reasonably likely to have, individually or in the aggregate, a Material Adverse Effect on the breaching party or the non-breaching party, and which breach shall not have been cured prior to the earlier of (i) thirty (30) days following written notice to the party committing such breach from the other party hereto or (ii) two (2) Business Days prior to the Termination Date, or which breach, by its nature, cannot be cured prior to the Termination Date.

(f) Delay. It being understood that the parties shall use good faith efforts to submit regulatory filings in a timely manner, by either West Town and its Subsidiaries, on the one hand, or Sound Bank, on the other hand, if the Merger shall not have been consummated on or before November 13, 2017 (the "Termination Date"), unless the failure of the Closing to occur by such date shall be due to a material breach of this Agreement by the party seeking to terminate this Agreement; *provided, however*, that the Termination Date may be extended by mutual written consent of West Town, WTBT and Sound Bank.

(g) Failure to Recommend; Etc. In addition to and not in limitation of termination rights of West Town and WTBT under Section 7.01(e), at any time prior to the Sound Bank Meeting, by West Town, Interim Bank and WTBT if (i) Sound Bank shall have materially breached its obligations under Section 5.09, (ii) the board of directors of Sound Bank shall have failed to make its recommendation in favor of the Merger referred to in Section 5.04 or shall have made a Change in Sound Bank Recommendation, (iii) the board of directors of Sound Bank shall have recommended, proposed, or publicly announced its intention to recommend or propose, to engage in an Acquisition Transaction with any Person other than West Town or a Subsidiary or Affiliate of West Town, or (iv) Sound Bank shall have materially breached its obligations under Section 5.04 by failing to call, give notice of, convene and hold the Sound Bank Meeting in accordance with Section 5.04.

(h) Lawsuits, etc. By either West Town and its Subsidiaries on the one hand or Sound Bank on the other hand if there shall have been a civil, criminal, administrative or regulatory action, suit, demand letter, demand for indemnification, claim, hearing, notice of violation, arbitration, investigation, order to show cause, market conduct examination, notice of non-

compliance or other proceeding of any nature pending or, to either parties' Knowledge, threatened against the other party or any of its Subsidiaries relating to the consummation of the Merger or the performance of this Agreement (a "Legal Action") and which, if decided adversely, is reasonably believed by the terminating party to be likely to have a Material Adverse Effect with respect to such other party or the terminating party.

(i) Adverse Change in West Town Stock Price. By Sound Bank, at any time within two (2) Business Days of the Determination Date (the "Termination Period"), if the Final West Town Stock Price is less than \$15.75; *provided, however*, (A) that if Sound Bank refuses to consummate the Merger pursuant to this Section 7.01(i), it shall give prompt written notice to West Town during such Termination Period and (B) such notice of election to terminate will be of no effect if West Town elects to increase the Exchange Ratio such that the product of the Exchange Ratio multiplied by the Average Market Value measured as of the Business Day immediately preceding the Closing Date is at least \$9.45.

(j) Real Property Material Defect. By West Town, Interim Bank and WTBT as permitted by Section 5.20 of this Agreement.

(k) Superior Proposal. By Sound Bank in the event that its board of directors determines in good faith, after consultation with and receipt of the advice of its outside counsel and financial advisers, that in light of a Superior Proposal it is necessary to accept such proposal and terminate this Agreement in order to comply with its fiduciary duties to Sound Bank and its shareholders; *provided, however*, that Sound Bank may terminate this Agreement pursuant to this Section 7.01(k) only if Sound Bank shall have complied with and not breached its obligations under Section 5.09, it concurrently pays the Termination Fee to West Town and it concurrently enters into a definitive agreement with respect to that Superior Proposal.

Section 7.02 Termination Fee; Liquidated Damages.

(a) In recognition of the efforts, expenses and other opportunities foregone by West Town while structuring and pursuing the Merger, Sound Bank shall pay to West Town by wire transfer of immediately available funds a termination fee equal to \$750,000 (the "Termination Fee"), in the event (i) West Town terminates this Agreement pursuant to Section 7.01(g)(iii), which payment shall be made within two (2) Business Days after receipt of West Town's notification of such termination, (ii) West Town terminates this Agreement pursuant to Section 7.01(g)(i), (ii) or (iv) and if between the date of the Original Agreement and the date West Town's notice of termination is given an Acquisition Proposal was communicated or otherwise made known to the senior management or board of directors of Sound Bank and at any time before the 12-month anniversary of the date such notice is given Sound Bank enters into a definitive written agreement with respect to or consummates an Alternative Transaction, which payment shall be made within two (2) Business Days after Sound Bank's entry into such definitive written agreement or consummation of the Alternative Transaction, whichever occurs first, or (iii) Sound Bank terminates this Agreement pursuant to Section 7.01(k), with payment of the Termination Fee being made concurrent with delivery of Sound Bank's notice of termination.

(b) The parties hereto agree and acknowledge that if either party terminates this Agreement pursuant to Section 7.01(d) or Section 7.01(e) by reason of the other party's material

breach of the provisions of this Agreement contemplated by Section 7.01(d) or Section 7.01(e) that is not timely cured as provided in such sections or capable of being cured prior to the Termination Date, the actual damages sustained by the party terminating the agreement, including the expenses incurred preparatory to entering into this Agreement and in connection with the performance of the obligations under this Agreement, would be significant and difficult to ascertain, gauged by the circumstances existing at the time this Agreement is executed, and that in lieu of the party terminating the agreement being required to pursue its damage claims in costly litigation proceedings in such event, the parties agree that, in addition to any Termination Fee that may be due to West Town under Section 7.02(a), the party in breach of Section 7.01(d) or Section 7.01(e) shall pay a reasonable estimate of the amount of such damages, which the parties agree is the sum of \$250,000 (the "Liquidated Damages Payment"), as liquidated damages to the non-breaching party, which payment is not intended as a penalty, within two (2) Business Days after notification of such termination; *provided*, for the avoidance of doubt, that in no event (i) shall Sound Bank be obligated to pay the Liquidated Damages Payment to both West Town and WTBT nor (ii) shall West Town and West Town Bank be obligated to both pay the Liquidated Damages Payment to Sound Bank.

(c) Sound Bank and West Town each agree that the agreements contained in this Section 7.02 are an integral part of the transactions contemplated by this Agreement, and that, without these agreements, neither of them would enter into this Agreement; accordingly, if Sound Bank or West Town fails promptly to pay any amounts due from it under this Section 7.02 and, in order to obtain such payment, the other party commences a suit that results in a judgment for such amounts, the party obligated to make such payment shall pay interest on such amounts from the date payment of such amounts were due to the date of actual payment at the rate of interest equal to the sum of (i) the rate of interest published from time to time in The Wall Street Journal, Eastern Edition (or any successor publication thereto), designated therein as the prime rate on the date such payment was due, plus (ii) 300 basis points, together with the costs and expenses of the other (including reasonable legal fees and expenses) in connection with such suit.

(d) Notwithstanding anything to the contrary set forth in this Agreement, the parties agree that if this Agreement is terminated by West Town pursuant to Section 7.01(d), Section 7.01(e) or Section 7.01(g) or by Sound Bank pursuant to Section 7.01(k), and if Sound Bank pays or causes to be paid to West Town, as applicable, the Termination Fee in accordance with Section 7.02(a) and/or the Liquidated Damages Payment in accordance with Section 7.02(b), Sound Bank (or any successor in interest of Sound Bank) will not have any further obligations or liabilities to West Town or WTBT with respect to this Agreement or the transactions contemplated by this Agreement. Notwithstanding anything to the contrary set forth in this Agreement, the parties agree that if this Agreement is terminated by Sound Bank pursuant to Section 7.01(d) or Section 7.01(e), and if West Town and WTBT pay or cause to be paid to Sound Bank the Liquidated Damages Payment in accordance with Section 7.02(b), West Town and WTBT (or any successor to either) will not have any further obligations or liabilities to Sound Bank with respect to this Agreement or the transactions contemplated by this Agreement.

ARTICLE VIII DEFINITIONS

Section 8.01 Definitions. The following terms are used in this Agreement with the meanings set forth below:

“Acquisition Proposal” has the meaning set forth in Section 5.09(a).

“Acquisition Transaction” means any of the following (other than the transactions contemplated hereby) involving Sound Bank: (a) any merger, consolidation, share exchange, business combination or other similar transaction; (b) any sale, lease, exchange, mortgage, pledge, transfer or other disposition of assets that constitute a substantial portion of the assets of Sound Bank in a single transaction or series of transactions; or (c) any tender offer or exchange offer for 20% or more of the outstanding shares of its capital stock or the filing of a registration statement under the Securities Act, in connection therewith.

“Anchor Investor” means that certain investor and affiliated entities set forth on West Town Disclosure Schedule Section 4.30.

“Anchor Investor Appointee” such individual as may be designated by the Anchor Investor and appointed by the West Town, Surviving Bank, and/or WTBT boards of directors in accordance with the terms of the SPA, a copy of which is provided at West Town Disclosure Schedule Section 4.30, and related documents entered into between Anchor Investor and West Town.

“Aggregate Cash Limit” has the meaning set forth in Section 2.05(d).

“Aggregate Stock Limit” has the meaning set forth in Section 2.05(d).

“Affiliate” means, with respect to any Person, any other Person controlling, controlled by or under common control with such Person. As used in this definition, “control” (including, with its correlative meanings, “controlled by” and “under common control with”) means the possession, directly or indirectly, of power to direct or cause the direction of the management and policies of a Person whether through the ownership of voting securities, by contract or otherwise.

“Agreement” has the meaning set forth in the preamble to this Agreement.

“Appraisal Shares” has the meaning set forth in Section 2.08.

“Articles of Merger” has the meaning set forth in Section 1.05(a).

“ASC 320” means GAAP Accounting Standards Codification Topic 320.

“Average Market Value” means, on any given date, the weighted (based on daily volume) average of the closing price of West Town Common Stock (as reported on OTC Pink®) on the ten (10) most recent Trading Days preceding such date.

“Bank Secrecy Act” means the Bank Secrecy Act of 1970.

“BOLI” has the meaning set forth in Section 3.32(b).

“Book-Entry Share” means any uncertificated share held by book entry in Sound Bank’s stock transfer book, which immediately prior to the Effective Time represents shares of Sound Bank Common Stock.

“Burdensome Conditions” has the meaning set forth in Section 5.06(a).

“Business Day” means Monday through Friday of each week, except a legal holiday recognized as such by the U.S. government or any day on which banking institutions in the State of North Carolina are authorized or obligated to close.

“Cash Consideration” has the meaning set forth in Section 2.01(c).

“Cash Election” has the meaning set forth in Section 2.05(b).

“Cash Election Number” has the meaning set forth in Section 2.05(b).

“Cash Election Shares” has the meaning set forth in Section 2.05(b).

“Certificate” means any certificate which immediately prior to the Effective Time represents shares of Sound Bank Common Stock. As the context may require, “Certificate” shall also include any book entry-account statement referencing ownership of Sound Bank Common Stock prior to the Effective Time.

“Certificate of Merger” has the meaning set forth in Section 1.05(a).

“Change in Sound Bank Recommendation” has the meaning set forth in Section 5.09(e).

“Claim” has the meaning set forth in Section 5.10(a).

“Closing” and “Closing Date” have the meanings set forth in Section 1.05(b).

“Code” has the meaning set forth in Section 2.04.

“Community Reinvestment Act” means the Community Reinvestment Act of 1977.

“D&O Insurance” has the meaning set forth in Section 5.10(c).

“Derivative Transaction” means any swap transaction, option, warrant, forward purchase or sale transaction, futures transaction, cap transaction, floor transaction or collar transaction relating to one or more currencies, commodities, bonds, equity securities, loans, interest rates, catastrophe events, weather-related events, credit-related events or conditions or any indexes, or any other similar transaction (including any option with respect to any of these transactions) or combination of any of these transactions, including collateralized mortgage obligations or other similar instruments or any debt or equity instruments evidencing or embedding any such types of transactions, and any related credit support, collateral or other similar arrangements related to any such transaction or transactions.

“Determination Date” means the fifth Business Day immediately prior to the Closing Date.

“Disclosure Date” has the meaning set forth in Section 3.01(a).

“Dodd-Frank Act” means the Dodd-Frank Wall Street Reform and Consumer Protection Act.

“Effective Time” has the meaning set forth in Section 1.05(a).

“Election Deadline” has the meaning set forth in Section 2.05(c).

“Election Form” has the meaning set forth in Section 2.05(a).

“Environmental Claim” means any written complaint, summons, action, citation, notice of violation, directive, order, claim, litigation, investigation, judicial or administrative proceeding or action, judgment, lien, demand, letter or communication alleging non-compliance with any Environmental Law relating to any actual or threatened release of a Hazardous Substance.

“Environmental Law” means any federal, state or local Law, regulation, order, decree, permit, authorization, opinion or agency requirement relating to: (a) pollution, the protection or restoration of the indoor or outdoor environment, human health and safety, or natural resources, (b) the handling, use, presence, disposal, release or threatened release of any Hazardous Substance, or (c) any injury or threat of injury to persons or property in connection with any Hazardous Substance. The term Environmental Law includes, but is not limited to, (a) the following statutes, as amended, any successor thereto, and any regulations promulgated pursuant thereto, and any state or local statutes, ordinances, rules, regulations and the like addressing similar issues: Comprehensive Environmental Response, Compensation and Liability Act, as amended by the Superfund Amendments and Reauthorization Act of 1986, as amended (“CERCLA”), 42 U.S.C. § 9601 et seq.; the Resource Conservation and Recovery Act, as amended, 42 U.S.C. § 6901, et seq.; the Clean Air Act, as amended, 42 U.S.C. § 7401, et seq.; the Federal Water Pollution Control Act, as amended, 33 U.S.C. § 1251, et seq.; the Toxic Substances Control Act, as amended, 15 U.S.C. § 2601, et seq.; the Emergency Planning and Community Right to Know Act, 42 U.S.C. § 1101, et seq.; the Safe Drinking Water Act; 42 U.S.C. § 300f, et seq.; the Occupational Safety and Health Act, 29 U.S.C. § 651, et seq.; and (b) common law that may impose liability (including without limitation strict liability) or obligations for injuries or damages due to the presence of or exposure to any Hazardous Substance.

“Equal Credit Opportunity Act” means the Equal Credit Opportunity Act, as amended.

“ERISA” means the Employee Retirement Income Security Act of 1974, as amended.

“ERISA Affiliate” has the meaning set forth in Section 3.16(d).

“Exchange Act” means the Securities Exchange Act of 1934, as amended.

“Exchange Agent” means American Stock Transfer & Trust Company, LLC, or such other Person selected by West Town, and reasonably acceptable to Sound Bank, that shall be designated

to act as exchange agent, in accordance with the Exchange Agent Agreement, for purposes of conducting the exchange procedures described in ARTICLE II.

“Exchange Agent Agreement” means the written agreement between West Town and the Exchange Agent under which agreement the Exchange Agent shall agree to perform the duties and responsibilities of the Exchange Agent as set forth in ARTICLE II.

“Exchange Fund” has the meaning set forth in Section 2.06(a).

“Exchange Ratio” has the meaning set forth in Section 2.01(c).

“Executive Officer” means, with respect to West Town and WTBT, the Chief Executive Officer and President and each other officer of West Town and its Subsidiaries with significant policy-making authority of West Town, and, with respect to Sound Bank, the Chief Executive Officer and President, Chief Financial Officer, Chief Banking Officer and each other officer with significant policy-making authority of Sound Bank.

“Fair Credit Reporting Act” means the Fair Credit Reporting Act.

“Fair Housing Act” means the Fair Housing Act.

“Fairness Hearing” has the meaning set forth in Section 5.05(a).

“Fairness Order” has the meaning set forth in Section 5.05(a).

“FDIA” has the meaning set forth in Section 3.27.

“FDIC” means the Federal Deposit Insurance Corporation.

“Federal Reserve” means the Board of Governors of the Federal Reserve System, including any Reserve Bank acting under delegated authority.

“FFIEC” means the Federal Financial Institutions Examination Council.

“Final West Town Stock Price” means the Average Market Value measured as of the Determination Date.

“GAAP” means generally accepted accounting principles in the United States of America, applied consistently with past practice, including with respect to quantity and frequency.

“GAAS” means generally accepted auditing standards in the United States as promulgated by the Auditing Standards Board, a division of the American Institute of Certified Public Accountants.

“Governmental Authority” means any federal, state or local court, administrative agency or commission or other governmental authority, entity or instrumentality (including, without limitation, any Regulatory Agency).

“GLB Act” has the meaning set forth in Section 3.28.

“Hazardous Substance” means any and all substances (whether solid, liquid or gas) defined, listed, or otherwise regulated as pollutants, hazardous wastes, hazardous substances, hazardous materials, extremely hazardous wastes, flammable or explosive materials, radioactive materials or words of similar meaning or regulatory effect under any present or future Environmental Law, including but not limited to petroleum and petroleum products, asbestos and asbestos-containing materials, polychlorinated biphenyls, lead, radon, radioactive materials, flammables and explosives, mold, mycotoxins, microbial matter and airborne pathogens (naturally occurring or otherwise). Hazardous Substance does not include substances of kinds and in amounts ordinarily and customarily used or stored for the purposes of cleaning or other maintenance or operations.

“Holder Representative” has the meaning set forth in Section 2.05(b).

“Home Mortgage Disclosure Act” means Home Mortgage Disclosure Act of 1975, as amended.

“Indemnified Parties” and “Indemnifying Party” have the meanings set forth in Section 5.10(a).

“Informational Systems Conversion” has the meaning set forth in Section 5.15.

“Intellectual Property” means (a) trademarks, service marks, trade names, Internet domain names, designs, logos, slogans, and general intangibles of like nature, together with all goodwill, registrations and applications related to the foregoing; (b) patents and industrial designs (including any continuations, divisionals, continuations-in-part, renewals, reissues, and applications for any of the foregoing); (c) copyrights (including any registrations and applications for any of the foregoing); (d) Software; and (e) technology, trade secrets and other confidential information, know-how, proprietary processes, formulae, algorithms, models, and methodologies.

“Interim Bank” has the meaning set forth in the preamble to this Agreement.

“Interim Bank Common Stock” means the common stock, \$5.00 par value per share, of Interim Bank.

“IRS” means the United States Internal Revenue Service.

“Knowledge” of any Person (including references to such Person being aware of a particular matter), as used with respect to Sound Bank and its Subsidiaries, means those facts, reports, allegations or other information that are actually known, after reasonable inquiry, by any Executive Officer of Sound Bank. Knowledge, as used with respect to West Town and its Subsidiaries, means those facts, reports, allegations or other information that are actually known, after reasonable inquiry, by any Executive Officer of West Town. Without limiting the scope of the preceding sentences, the term “Knowledge” includes any fact, matter or circumstance set forth in any written notice received by Sound Bank or West Town from any Governmental Authority.

“Law” shall mean any federal, state, local or foreign or provincial law, statute, ordinance, rule, regulation, order, policy, guideline or agency requirement of or undertaking to or agreement with any Governmental Authority, including common law.

“Leased Real Property” has the meaning set forth in Section 5.20(b).

“Legal Action” has the meaning set forth in Section 7.01(h).

“Liens” means any charge, mortgage, pledge, security interest, restriction, claim, lien or encumbrance, conditional and installment sale agreement, charge or other claim of third parties of any kind.

“Liquidated Damages Payment” has the meaning set forth in Section 7.02(b).

“Material Adverse Effect” means with respect to any Person, any change or effect that is material and adverse to the assets, liabilities, capitalization, condition (financial or otherwise), results of operations, business or business prospects of such Person and its Subsidiaries, taken as a whole, or which would materially impair the ability of such Person to perform its obligations under this Agreement or otherwise materially impairs the ability of such Person to consummate the transactions contemplated hereby, including, without limitation, a Legal Action; *provided, however,* that Material Adverse Effect shall not be deemed to include the impact of (i) changes in banking and similar laws of general applicability or interpretations thereof by Governmental Authorities, (ii) changes in GAAP or regulatory accounting requirements applicable to banks or bank holding companies generally, (iii) any modifications or changes to Sound Bank valuation policies and practices in connection with the transactions contemplated hereby or restructuring charges taken in connection with the transactions contemplated hereby, in each case in accordance with GAAP and with West Town’s prior written consent, (iv) changes after the date of this Agreement in general economic or capital market conditions affecting financial institutions or their market prices generally and not disproportionately affecting Sound Bank or West Town (or its Subsidiaries), including, but not limited to, changes in levels of interest rates generally, (v) the effects of compliance with this Agreement on the operating performance of Sound Bank or West Town, including the expenses incurred by Sound Bank or West Town in negotiating, documenting, effecting and consummating the transactions contemplated by this Agreement, (vi) the effects of any action or omission taken by Sound Bank with the prior consent of West Town, and vice versa, or as otherwise expressly permitted or contemplated by this Agreement, (vii) the impact of the Agreement and the transactions contemplated hereby on relationships with customers or employees (including the loss of personnel subsequent to the date of this Agreement), and (viii) the public disclosure of this Agreement or the transactions contemplated hereby.

“Maximum D&O Tail Premium” has the meaning set forth in Section 5.10(c).

“Maximum Share Count” has the meaning set forth in Section 6.03(a).

“Merger” has the meaning set forth in the recitals.

“Merger Consideration” has the meaning set forth in Section 2.01(c).

“Mixed Consideration” has the meaning set forth in Section 2.01(c).

“Mixed Election” has the meaning set forth in Section 2.05(b).

“National Labor Relations Act” means the National Labor Relations Act.

“NCBCA” has the meaning set forth in Section 2.08.

“NCCOB” means the North Carolina Commissioner of Banks.

“NCGS” has the meaning set forth in Section 1.01.

“Nondisclosure Agreement” means that certain Multi-Party Nondisclosure Agreement dated as of September 27, 2016, by and among Sound Bank, West Town and Windsor Advantage, LLC (as it may be amended from time to time).

“Non-Election” has the meaning set forth in Section 2.05(b).

“Non-Election Shares” has the meaning set forth in Section 2.05(b).

“Notice of Recommendation Change” has the meaning set forth in Section 5.09(f).

“Ordinary Course of Business” means the ordinary, usual and customary course of business consistent with past practice, including with respect to frequency and amount.

“Original Agreement” has the meaning set forth in the Recitals of this Agreement.

“OREO” has the meaning set forth in Section 3.23(a).

“OTC Pink®” means the OTC Pink® marketplace operated by OTC Markets Group, Inc. or any successor thereto on which West Town Common Stock may be quoted.

“Person” means any individual, bank, corporation, partnership, association, joint-stock company, business trust or other type of trust, estate, limited liability company, Governmental Authority, unincorporated organization or other organization or firm of any kind or nature.

“Per Share Purchase Price” has the meaning set forth in Section 2.01(c).

“PPACA” has the meaning set forth in Section 3.16(l).

“Private Placement Proceeds” has the meaning set forth in Section 4.30.

“Proxy Statement/Offering Circular” means the proxy statement and other proxy solicitation materials constituting a part thereof, together with any amendments and supplements thereto, to be delivered to holders of Sound Bank Common Stock in connection with the solicitation of their approval of this Agreement.

“Regulatory Agency” shall mean each of the Federal Reserve, the FDIC, IDFP, the NCCOB and any other Governmental Authority with jurisdiction over Sound Bank, West Town or WTBT.

“Regulatory Approval” means each consent, non-objection, approval, filing or waiver of, by or with any Regulatory Agency required under Law to consummate the Merger and the other transactions contemplated by this Agreement.

“Representative” has the meaning set forth in Section 5.09(a).

“Requisite Sound Bank Shareholder Approval” has the meaning set forth in Section 3.06.

“Rights” means, with respect to any Person, warrants, options, rights, convertible securities and other arrangements or commitments which obligate the Person to issue or dispose of any of its capital stock or other ownership interests.

“SPAs” has the meaning set forth in Section 4.30.

“Sarbanes-Oxley Act” means the Sarbanes-Oxley Act of 2002.

“SEC” means the Securities and Exchange Commission.

“Securities Act” means the Securities Act of 1933, as amended.

“Securities Administrator” has the meaning set forth in Section 5.05(a).

“Security Breach” means any event that creates a legal duty to notify affected individuals, regulators, or other organizations or persons pursuant to a state or federal Law, regulation, or regulatory guidance addressing security breach notification, such as N.C. Gen. Stat. § 75-65 or the Interagency Guidelines Establishing Information Security Standards.

“Software” means computer programs, whether in source code or object code form (including any and all software implementation of algorithms, models and methodologies), databases and compilations (including any and all data and collections of data), and all documentation (including user manuals and training materials) related to the foregoing, but excluding standard off-the-shelf software, software used under click wrap or shrink wrap licenses, or end-user software programs and applications.

“Sound Bank Appointees” has the meaning set forth in Section 1.03(a).

“Sound Bank” has the meaning set forth in the preamble to this Agreement.

“Sound Bank 401(a) Plan” has the meaning set forth in Section 3.16(c).

“Sound Bank Audited Financial Statements” has the meaning set forth in Section 3.09(a).

“Sound Bank Balance Sheet Date” has the meaning set forth in Section 3.09(d).

“Sound Bank Benefit Plans” has the meaning set forth in Section 3.16(a).

“Sound Bank Common Stock” means the common stock, \$5.00 par value per share, of Sound Bank.

“Sound Bank Disclosure Schedule” has the meaning set forth in Section 3.01(a).

“Sound Bank Employees” has the meaning set forth in Section 3.16(a).

“Sound Bank Financial Statements” has the meaning set forth in Section 3.09(a).

“Sound Bank Insurance Policies” has the meaning set forth in Section 3.32(a).

“Sound Bank Intellectual Property” means the Intellectual Property used in or held for use in the conduct of the business of Sound Bank and its Subsidiaries.

“Sound Bank Leases” has the meaning set forth in Section 3.30(b).

“Sound Bank Loan” has the meaning set forth in Section 3.23(b).

“Sound Bank Loan Property” means any real property securing loans held by Sound Bank.

“Sound Bank Material Contracts” has the meaning set forth in Section 3.13(a).

“Sound Bank Meeting” has the meaning set forth in Section 5.04.

“Sound Bank Options” has the meaning set forth in Section 2.09(a).

“Sound Bank Real Property” has the meaning set forth in Section 5.20(a).

“Sound Bank Regulatory Agreement” has the meaning set forth in Section 3.14.

“Sound Bank Unaudited Financial Statements” has the meaning set forth in Section 3.09(a).

“Stock Consideration” has the meaning set forth in Section 2.01(c).

“Stock Election” has the meaning set forth in Section 2.05(b)

“Stock Election Number” has the meaning set forth in Section 2.05(b).

“Stock Election Shares” has the meaning set forth in Section 2.05(b).

“Subsidiary” means, with respect to any party, any corporation or other entity of which a majority of the capital stock or other ownership interest having ordinary voting power to elect a majority of the board of directors or other persons performing similar functions are at the time directly or indirectly owned by such party. Any reference in this Agreement to a Subsidiary means, unless the context otherwise requires, any current or former Subsidiary. For the avoidance of doubt, the term “Subsidiary” (or its plural form, Subsidiaries) when used in reference to West Town shall include each of Interim Bank and WTBT.

“Superior Proposal” has the meaning set forth in Section 5.09(g).

“Support Agreement” or “Support Agreements” shall have the meaning set forth in the preamble to this Agreement and shall be entered into by West Town and the individuals listed in Sound Bank Disclosure Schedule Section 5.17.

“Surviving Bank” has the meaning set forth in Section 1.01.

“Surviving Bank Appointees” has the meaning set forth in Section 1.03(a).

“Tax” and “Taxes” mean any and all federal, state, local or foreign income, gross income, gains, gross receipts, sales, use, ad valorem, goods and services, capital, production, transfer, registration value added, alternative or minimum, franchise, windfall profits, license, withholding, payroll, employment, disability, employer health, excise, estimated, severance, stamp, occupation, property, environmental, custom duties, unemployment or other taxes or charges in the nature of a tax of any kind whatsoever, as well as any obligations under abandoned property, escheat or similar laws, together with any interest, additions or penalties thereto whether disputed or not, and any interest in respect of such interest and penalties.

“Tax Return” means any return, declaration or other report (including elections, declarations, schedules, estimates and information returns) filed or submitted or required to be filed with respect to any Taxes.

“Termination Date” has the meaning set forth in Section 7.01(f).

“Termination Fee” has the meaning set forth in Section 7.02(a).

“Termination Period” has the meaning set forth in Section 7.01(i).

“The date hereof” or “the date of this Agreement” shall mean the date first set forth above in the preamble to this Agreement.

“Trading Day” means any day on which shares of West Town Common Stock are traded, as reported on the OTC Pink® or a successor marketplace.

“Treasury Regulations” means the final or temporary regulations promulgated by the United States Department of the Treasury pursuant to the Code.

“Truth in Lending Act” means the Truth in Lending Act of 1968.

“USA PATRIOT Act” means the USA PATRIOT Act of 2001, Public Law 107-56, and the regulations promulgated thereunder.

“WTBT” means West Town Bank & Trust, an Illinois state-chartered bank and Subsidiary of West Town.

“WTBT Appointees” has the meaning set forth in Section 1.03(c).

“West Town” has the meaning set forth in the preamble to this Agreement.

“West Town 401(a) Plan” has the meaning set forth in Section 4.16(c).

“West Town Appointees” has the meaning set forth in Section 1.03(d).

“West Town Audited Financial Statements” has the meaning set forth in Section 4.09(a).

“West Town Balance Sheet Date” has the meaning set forth in Section 4.09(d).

“West Town Benefit Plans” has the meaning set forth in Section 4.16(a).

“West Town Common Stock” means the common stock, \$1.00 par value per share, of West Town.

“West Town Disclosure Schedule” has the meaning set forth in Section 4.01(a).

“West Town Employees” has the meaning set forth in Section 4.16(a).

“West Town Financial Statements” has the meaning set forth in Section 4.09(a).

“West Town Insurance Policies” has the meaning set forth in Section 4.25.

“West Town Loan” has the meaning set forth in Section 4.19(b).

“West Town Material Contracts” has the meaning set forth in Section 4.13(a).

“West Town Regulatory Agreement” has the meaning set forth in Section 4.14.

“West Town Unaudited Financial Statements” has the meaning set forth in Section 4.09(a).

ARTICLE IX MISCELLANEOUS

Section 9.01 Survival. No representations, warranties, agreements and covenants contained in this Agreement shall survive the Effective Time other than this Section 9.01 (except for agreements or covenants contained herein, including West Town’s obligations pursuant to Section 5.10, that by their express terms are to be performed after the Effective Time).

Section 9.02 Waiver; Amendment. Prior to the Effective Time, any provision of this Agreement may be (a) waived by the party benefited by the provision or (b) amended or modified at any time, by an agreement in writing between the parties hereto executed in the same manner as this Agreement, except that after receipt of the Requisite Sound Bank Shareholder Approval, no amendment shall be made which by law requires further approval by the shareholders of Sound Bank without obtaining such approval.

Section 9.03 Governing Law; Waiver.

(a) This Agreement shall be governed by, and interpreted and enforced in accordance with, the internal, substantive laws of the State of North Carolina, without regard for its principles of conflicts of laws.

(b) Each party acknowledges and agrees that any controversy which may arise under this Agreement is likely to involve complicated and difficult issues, and therefore each such party hereby irrevocably and unconditionally waives any right such party may have to a trial by jury in respect of any litigation directly or indirectly arising out of or relating to this agreement, or the transactions contemplated by this Agreement. Each party certifies and acknowledges that (i) no representative, agent or attorney of any other party has represented, expressly or otherwise, that

such other party would not, in the event of litigation, seek to enforce the foregoing waiver, (ii) it understands and has considered the implications of this waiver, (iii) it makes this waiver voluntarily, and (iv) it has been induced to enter into this agreement by, among other things, the mutual waivers and certifications in this Section 9.03.

Section 9.04 Expenses. Except as otherwise provided in Section 5.05(b) and Section 7.02, each party hereto will bear all expenses incurred by it in connection with this Agreement and the transactions contemplated hereby, including fees and expenses of its own financial consultants, accountants and counsel.

Section 9.05 Notices. All notices, requests and other communications hereunder to a party shall be in writing and shall be deemed properly given if (a) personally delivered, (b) delivered by registered or certified mail (return receipt requested), with adequate postage prepaid thereon, (c) delivered by properly addressed electronic mail delivery (with confirmation of delivery receipt), or (d) sent by reputable courier service to such party at its address set forth below, or at such other address or addresses as such party may specify from time to time by notice in like manner to the parties hereto. All notices shall be deemed effective upon delivery.

If to West Town, Interim Bank or WTBT:

West Town Bancorp, Inc.
8450 Falls of Neuse Road, Suite 204
Raleigh, North Carolina 27615
Attention: Eric J. Bergevin
Email: eric@westtownbank.com

With a copy (which shall not constitute notice) to:

Wyrick Robbins Yates & Ponton LLP
4101 Lake Boone Trail, Suite 300
Raleigh, North Carolina 27607
Attn: Todd H. Eveson
Email: teveson@wyrick.com

If to Sound Bank:

Sound Banking Company
5039 Executive Drive
Morehead City, North Carolina 28557
Attention: S. Phillip Collins
Email: pcollins@soundbanking.com

With a copy (which shall not constitute notice) to:

Ward and Smith, P.A.
1001 College Court
New Bern, North Carolina 28562
Attn: William R. Lathan, Jr.
Email: wrl@wardandsmith.com

Section 9.06 Entire Understanding; No Third Party Beneficiaries. This Agreement represents the entire understanding of the parties hereto and thereto with reference to the transactions contemplated hereby, and this Agreement supersedes any and all other oral or written agreements heretofore made, with the exception of the Nondisclosure Agreement which shall remain in effect as described in Section 5.18. Except for the Indemnified Parties' rights under Section 5.10, West Town, Interim Bank, WTBT and Sound Bank hereby agree that their respective representations, warranties, covenants and other agreements set forth herein are solely for the benefit of the other parties hereto, in accordance with and subject to the terms of this Agreement, and this Agreement is not intended to, and does not, confer upon any Person (including any person or Sound Bank Employees who might be affected by Section 5.11), other than the parties hereto, any rights or remedies hereunder, including, without limitation, the right to rely upon the representations and warranties set forth herein. The representations and warranties in this Agreement are the product of negotiations among the parties hereto and are for the sole benefit of the parties hereto. Any inaccuracies in such representations and warranties are subject to waiver by the parties hereto in accordance with Section 9.02 without notice or liability to any other Person. In some instances, the representations and warranties in this Agreement may represent an allocation among the parties hereto of risks associated with particular matters regardless of the knowledge of any of the parties hereto. Consequently, Persons other than the parties hereto may not rely upon the representations and warranties in this Agreement as characterizations of actual facts or circumstances as of the date of this Agreement or as of any other date.

Section 9.07 Severability. In the event that any one or more provisions of this Agreement shall for any reason be held invalid, illegal or unenforceable in any respect, by any court of competent jurisdiction, such invalidity, illegality or unenforceability shall not affect any other provisions of this Agreement, and the parties shall use their reasonable efforts to substitute a valid, legal and enforceable provision which, insofar as practical, implements the purposes and intents of this Agreement.

Section 9.08 Enforcement of the Agreement. The parties hereto agree that irreparable damage would occur in the event that any of the provisions of this Agreement were not performed in accordance with their specific terms or were otherwise breached. It is accordingly agreed that the parties shall be entitled to seek an injunction or injunctions to prevent breaches of this Agreement and to enforce specifically the terms and provisions hereof in any court of the United States or any state having jurisdiction without having to show or prove economic damages and without the requirement of posting a bond, this being in addition to any other remedy to which they are entitled at law or in equity.

Section 9.09 Interpretation.

(a) When a reference is made in this Agreement to sections, exhibits or schedules, such reference shall be to a section of, or exhibit or schedule to, this Agreement unless otherwise indicated. The table of contents and headings contained in this Agreement are for reference purposes only and are not part of this Agreement. Whenever the words “include,” “includes” or “including” are used in this Agreement, they shall be deemed to be followed by the words “without limitation.” Whenever the words "hereto" or "herein" are used in this Agreement, they shall be deemed to refer to this Agreement in its entirety.

(b) The parties hereto have participated jointly in the negotiation and drafting of this Agreement and the other agreements and documents contemplated herein. In the event an ambiguity or question of intent or interpretation arises under any provision of this Agreement or any other agreement or document contemplated herein, this Agreement and such other agreements or documents shall be construed as if drafted jointly by the parties thereto, and no presumption or burden of proof shall arise favoring or disfavoring any party by virtue of authorizing any of the provisions of this Agreement or any other agreements or documents contemplated herein.

(c) This Agreement shall not be interpreted or construed to require any Person to take any action, or fail to take any action, if to do so would violate any applicable Law.

Section 9.10 Assignment. No party may assign either this Agreement or any of its rights, interests or obligations hereunder without the prior written approval of the other party, and any purported assignment in violation of this Section 9.10 shall be void. Subject to the preceding sentence, this Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and permitted assigns.

Section 9.11 Counterparts. This Agreement may be executed and delivered by facsimile or by electronic data file and in one or more counterparts, all of which shall be considered one and the same agreement and shall become effective when one or more counterparts have been signed by each of the parties and delivered to the other party, it being understood that all parties need not sign the same counterpart. Signatures delivered by facsimile or by electronic data file shall have the same effect as originals.

[Signature Page Follows]

IN WITNESS WHEREOF, West Town, WTBT, Interim Bank, and Sound Bank have caused this Agreement to be executed in counterparts by their duly authorized officers, all as of the day and year first above written.

West Town Bancorp, Inc.

By: /s/ Eric J. Bergevin
Name: Eric J. Bergevin
Title: President and Chief Executive Officer

West Town Bank & Trust

By: /s/ Eric J. Bergevin
Name: Eric J. Bergevin
Title: President and Chief Executive Officer

SBC Interim Bank

By: /s/ Eric J. Bergevin
Name: Eric J. Bergevin
Title: President and Chief Executive Officer

Sound Banking Company

By: /s/ S. Phillip Collins
Name: S. Phillip Collins
Title: President and Chief Executive Officer