



THE BANCORP, INC.  
DIRECTOR INDEPENDENCE CATEGORICAL STANDARDS  
DECEMBER 18, 2019

No director of the Company qualifies as independent unless this Board affirmatively determines that such director has no material relationship that would interfere with the exercise of independent judgment in carrying out the responsibilities of a director. Independence determinations will be made on an annual basis at the time the Board approves director nominees for inclusion in the proxy statement and, if a director is considered for appointment to the Board between annual meetings, prior to such appointment. Each director shall notify the Board of any change in circumstances that may put his or her independence at issue. If so notified, the Board will reevaluate, as promptly as practicable thereafter, such director's independence.

In order to assist the Board in making determinations of independence, any relationship described below shall be presumed material:

- (a) the director was an employee of the Company or an immediate family member of the director was an executive officer of the Company at any time in the last three (3) years;
- (b) the director, or an executive officer of the Company who is an immediate family member of the director, received more than \$120,000 within any consecutive twelve (12) month period within the last three (3) years in direct compensation from the Company, other than director and committee fees and tax qualified retirement plans or non-discretionary compensation;
- (c) the director or an immediate family member (i) is a current partner of a firm that is the Company's internal or external auditor; (ii) the director is a current employee of such a firm; (iii) the director has an immediate family member who is a current employee of such a firm and who personally works on the Company's audit; or (iv) the director or an immediate family member was within the last three (3) years a partner or employee of such a firm and personally worked on the Company's audit during that time;
- (d) the director or an immediate family member was an executive officer of a company in which an executive officer of the Company served on the compensation committee of the board of directors (or had an immediate family member who was an executive officer of such company) in the last three (3) years;
- (e) the director or an immediate family member was an employee, or executive officer, partner or controlling shareholder of another company that made payments to or received payments from the Company for property or services in an amount which, in any single fiscal year, exceeded 5% or \$200,000, whichever is greater, of such other company's consolidated gross revenues for that year; or in any of the last three (3) years; or
- (f) the director, or an immediate family member of the director, was employed as an executive officer, a partner or a controlling shareholder of a non-profit organization, foundation or university to which the Company made discretionary contributions that, in any fiscal year exceeded the greater of 5% or \$200,000 of the entity's consolidated gross revenues for the most recently ended fiscal year for which total revenue information is available.

For purposes of the above-described Categorical Standards, the term “immediate family member” includes a person’s spouse, parents, children, siblings, mothers- and fathers-in-law, sons- and daughters-in-law, brothers- and sisters-in-law and anyone (other than domestic employees) to whom the director provides material support; provided, that any such persons who no longer have any such relationship as a result of legal separation or divorce, or death or incapacitation, shall not be considered immediate family members. Further, the foregoing Categorical Standards shall be deemed to be automatically updated to reflect any changes made to the Nasdaq Rules and interpreted in the same manner as such rules.

The Board specifically believes that a relationship between the Company and an entity where a director is solely a non-management director is not material. In addition, any other relationship not described in (a) through (f) above will be presumed not to be material to the director’s independence unless: (i) the relationship was not entered into on terms substantially similar to those that would be offered to non-affiliated persons or entities in comparable circumstances; (ii) with respect to any extension of credit by the Company, such extension of credit was not made in compliance with applicable law, including Regulation O of the Board of Governors of the Federal Reserve System and Section 13(k) of the Securities Exchange Act of 1934; or (iii) in exercising its judgment in light of all the applicable facts and circumstances, the Board determines that the relationship should be considered material.