

Luxury Expenditure Policy for First Menasha Bancshares, Inc.

I. General Policy

Company funds shall be used only to fulfill corporate purposes and only to the extent reasonably necessary or appropriate to achieve those purposes. Expenditures should be scaled in proportion to the corporate benefit expected to be achieved. The Company prohibits excessive or luxury expenditures, defined as expenditures that are not reasonable to achieve the Company's business objectives, on customer or employee entertainment and events, office or facility renovations, aviation or other transportation services or other activities or events. References to the Company in this Policy include First Menasha Bancshares, Inc. and all of its parents, subsidiaries and affiliates, as appropriate.

II. Effective Date of Policy

This Policy is effective on August 24, 2009 as to covered expenditures incurred after such date. However, if an employee or entity has entered into a binding commitment prior to August 24, 2009 for expenditures which will occur on or after August 24, 2009, this Policy is not applicable to such commitment. In all events, there may be other Company expense policies that will apply to an expenditure. To the extent that prior Company policies, whether or not formalized in written form, are not inconsistent with this Policy, such policies remain in place.

III. Categories of Expenditures Addressed by Policy

This policy addresses expenditures for:

- i. Entertainment or events
- ii. Office and facility renovations
- iii. Aviation or other transportation services
- iv. Other Similar Expenditures

IV. Entertainment or Events

a. *Customer-Related Expenses.* Entertainment events or activities (including golf, professional or college sporting events, theater, etc.) are only considered for reimbursement when accompanied by a customer and must be associated with the active conduct of business. A substantial business discussion must occur before, during or after the event. The number of Company employees attending an event or activity relative to the number of customers or prospects should be the number appropriate to accomplish the business objective. Procedures governing the submission of corporate expense reports, if any, must be followed in all instances to qualify for reimbursement of such expenses. All such expenditures in excess of \$1,500 per day for each participating client for any single event require prior approval by the sponsoring employee's manager.

b. *Employee-Related Expenses.* Occasional events (including entertainment, meals, office parties etc.) for employees are reimbursable. This may include holiday parties and other events (such as golf outings, attendance at sporting events, etc.) for the sole purpose of employee recognition. Procedures governing the submission of corporate expense reports, if any, must be followed in all instances to qualify for reimbursement of such expenses. All such expenditures in excess of \$1,500 per day for any single event require prior approval by the sponsoring employee's manager.

c. *Professional Training/Seminar Costs.* Costs to attend professional training classes/seminars must be incurred to further the development of the skills and knowledge of the attending employee and are reimbursable if pre-approved by the attendee's manager. The cost of the professional training/seminar must be reasonable in light of the anticipated business benefit in enhancing the attending employee's skills and knowledge. In all instances, procedures governing the submission of corporate expense reports must be followed to qualify for reimbursement of such expenses.

V. Office and Facility Renovations

No office or facility construction, renovation, furnishing or other similar project (a “Renovation”) may include lavish or extraordinary furnishings, decorations, or construction materials. Employees must seek prior approval for Renovations in excess of \$25,000, either by having the expenditure included in the applicable approved budget, or by getting specific approval from the employee’s manager. No employee may approve a Renovation which directly and substantially affects his or her own office or that of a higher level manager to whom he or she reports.

VI. Transportation Services

a. *Commercial Air Travel.* In general, economy and excursion airfares are to be utilized whenever possible and practical. Business class travel is allowed if the flight will be six (6) hours or more (not including layovers).

b. *Ground Transportation Services.* Use of other ground transportation services should be based on cost and efficiency given the business purpose, distance involved, location and number of people traveling.

c. *Aviation Transportation Services.* The Company does not own or consistently lease any aircraft. The Company prohibits the use of chartered aircraft without prior approval from the employee’s manager. In all cases, chartered aircraft should only be used if the cost and time savings justify the charter in relation to the anticipated business benefit.

VII. Other Expenditures

Any item, activity or event for which there is no business purpose is prohibited.

VIII. Approval Process

Where prior approval is required under this Policy, and if the proposed expenditure is that of the Chief Financial Officer, only the Chief Executive Officer or the Chairman of the Board may approve such expenditure. If the proposed expenditure is that of the Chief Executive Officer, only the Chairman of the Board or the Board of Directors (or a committee thereof) may approve such expenditure.

IX. Policy Accountability and Reporting Policy Violations

The Company expects all employees to adhere to this Policy and to promptly report any violations of the Policy. Any violations of this Policy shall be reported to the Chief Executive Officer by the violating employee, the violating employee’s manager or any other person(s) with knowledge of such violation. If the Chief Executive Officer originated the violation, the violation shall be reported directly to the Chairman of the Board or the Board of Directors. A report of a violation may be made on a confidential basis. The Chief Executive Officer shall make a report to the Board of Directors at least annually listing any employees who have violated this Policy. In appropriate cases, the Board of Directors may grant waivers of the Policy. Any non-compliance or violation of the Policy which is not waived shall be considered in the performance evaluation of the affected employee(s).

X. Policy Certification

The Chief Executive Officer and Chief Financial Officer shall provide the certification of policy compliance required by the Interim Final Rule, as now in existence or hereafter amended, no less frequently than annually to the Board of Directors. Such certification shall certify that the approval of any expenditure requiring the prior approval of a Senior Executive Officer (as defined in the Interim Final Rule), any executive officer of a substantially similar level of responsibility, the Chairman of the Board or the Board of Directors (or committee thereof) was properly obtained with respect to each such expenditure. Such certification may except Policy waivers made by the Board of Directors, expenditure violations and matters which, on the effective date of certification, are the subject of a pending investigation, so long as these exceptions are disclosed on the certification.