

Compensation & Management Development Committee Charter

Approved by the Board of Directors: March 28, 2018

Purpose

The purpose of the Compensation and Management Development Committee (the "Committee") of the Board of Directors (the "Board") of Central Federal Corporation (the "Company") is to discharge the Board's responsibilities relating to compensation for the Company's directors and executive officers. The Committee has overall responsibility for approving and evaluating director, officer and employee compensation plans, policies, and programs of the Company. The Committee also is responsible for producing any reports, filings and certifications related to executive compensation which may be required by applicable rules and regulations of the Securities and Exchange Commission (the "SEC"), the NASDAQ Stock Market, and any other appropriate regulatory agency or body.

Committee Membership

The Committee shall consist of three or more members of the Board. The members of the Committee shall be appointed and replaced by the Board on the recommendation of the Chairman of the Board. Members shall serve at the pleasure of the Board and for such term or terms as the Board may determine.

Each member of the Committee shall meet the independence requirements of the NASDAQ Stock Market and shall be free of any relationship that, in the opinion of the Board, would interfere with the exercise of his or her independent judgment in carrying out the responsibilities of a director of the Company. No member of the Committee shall be an employee or former employee of the Company or any of its subsidiaries, an officer or former officer of the Company or any of its subsidiaries or "affiliated" with the Company or any of its subsidiaries, as determined pursuant to applicable SEC rules and applicable corporate governance requirements of the NASDAQ Stock Market. At least two members of the Committee also shall qualify as "outside" directors within the meaning of Internal Revenue Code Section 162(m) and as "non-employee" directors within the meaning of Rule 16b-3 under the Securities Exchange Act of 1934, as amended (the "Exchange Act"). A member of the Committee shall immediately disclose to the Committee's Chair any fact or relationship that may affect the independence of the member. Any member of the Committee who does not qualify as a "non-employee director" or as an "outside director" shall be required to abstain on all matters as to which such classification would be relevant.

Committee Structure and Operations

The Board shall designate one member of the Committee as its Chair. If the Board does not appoint a Chair or the Chair is not present at a meeting, the members of the Committee may designate a Chair by majority vote of the full Committee membership, or those members present, as the case may be. The Committee shall meet in person or telephonically at least two times a year at a time and place determined by its Chair, with further meetings to occur, or actions to be taken by unanimous written consent, when deemed necessary or desirable by the Committee or its Chair.

The Committee may have in attendance at its meetings such members of management, compensation consultants, legal counsel or other advisors as the Committee may deem necessary or desirable to provide the information necessary for the Committee to carry out its duties and responsibilities. Notwithstanding the foregoing, the compensation of the Company's Chief Executive Officer (the "CEO") and all other officers (as that term is defined in Rule 16a-1(f) under the Exchange Act) must be determined by the Committee voting in executive

session. The CEO may not be present during the Committee's deliberations regarding the CEO's compensation but may be present during the Committee's deliberations regarding the compensation of all other officers of the Company. In any event, the CEO may not be present during voting on the compensation of any of the officers of the Company.

Committee Duties and Responsibilities

The Committee shall have the following duties and other responsibilities:

1. Establish, in consultation with executive management, the Company's general compensation philosophy, and oversee the development and implementation of balanced executive compensation programs which provide for short-term and long-term compensation, and incentive compensation. In connection with the foregoing, the Committee will refer to the performance goals, the strategic goals and tactical processes as outlined in the annual business plan for CFBank as guidance and basis for their review. The Committee, in its sole discretion, may also use other information, both past and current, and facts to base their determination as they consider relevant in the evaluation of the performance of executive management.
2. Make recommendations to the Board with respect to the Company's incentive compensation plans and equity based plans, administer (or oversee the activities of the individual or committee responsible for administering) these plans and discharge any responsibilities imposed on the Committee by any of these plans.
3. Annually the Committee will conduct an evaluation of the performance of the CEO and the chair shall communicate such evaluation to the CEO.
4. Review and recommend to the Board for approval the salary, bonuses and all other forms of compensation to be provided to the CEO and other executive officers of the Company. With respect to the CEO, the Board shall review and recommend to the Board for approval the following: (i) annual base salary level; (ii) annual incentive opportunity level; (iii) long-term incentive opportunity level; (iv) employment agreements, severance arrangements, change in control or similar termination agreements; (v) profit sharing plans; (vi) other special or supplemental benefits; and (vii) any other payments that are deemed compensation under applicable federal securities and banking laws.
5. Annually the Committee will review the form and amounts of director compensation and make recommendations to the Board with respect thereto. The recommendations from the Committee shall fairly reflect the contributions of the directors to the performance of the Company. The Board shall set the form and amounts of director compensation, taking into account the recommendations of the Committee
6. Prepare and issue the evaluation and reports required under "Committee Reports" below.
7. Periodically, review the succession planning and changes to the executive level organizational structure.
8. Perform any other duties or responsibilities expressly delegated to the Committee by the Board from time to time relating to the Company's compensation programs.
9. Annually, review and reassess the adequacy of this Charter.

Reliance on Experts

In performing their duties and responsibilities, Committee members are entitled to rely in good faith on information, opinions, reports or statements prepared or presented by:

- One or more officers or employees of the Company whom the Committee members reasonably believe are reliable and competent in the matters prepared or presented;
- Legal counsel, compensation consultants or other persons as to matters that the Committee members reasonably believe are within the professional or expert competence of such persons; or
- Another committee of the Board as to matters within such other committee's designated authority, which committee of the Board the Committee members reasonably believe to merit confidence.

Committee Reports

The Committee shall produce the following reports and provide them to the Board.

1. A summary of the pertinent actions, in the form of minutes, taken at each Committee meeting, which shall be presented to the Board at the next Board meeting.
2. Any reports, filings and certifications related to executive compensation which may be required by applicable rules and regulations of the SEC, the NASDAQ Stock Market, and any other appropriate regulatory agency or body.
3. An annual performance evaluation of the Committee, which evaluation shall compare the performance of the Committee with the requirements of this charter. The performance evaluation shall also recommend to the Board any improvements to this charter deemed necessary or desirable by the Committee. The performance evaluation by the Committee shall be conducted in such manner as the Committee deems appropriate. The report to the Board may take the form of an oral report by the Chair or any other member of the Committee designated by the Committee to make this report.

Resources and Authority of the Committee

The Committee shall have resources and authority appropriate to discharge its duties and responsibilities, including the authority to select, retain, terminate, and approve the fees and other retention terms of special counsel or other experts or consultants, as it deems appropriate without seeking approval of the Board or management. With respect to compensation consultants retained to assist in the evaluation of director, CEO, or other senior executive compensation, this authority shall be vested solely in the Committee. The Company shall provide for appropriate funding, as determined by the Committee, for payment of reasonable compensation to any compensation consultant, legal counsel or other advisor retained by the Committee pursuant to its authority under this Charter or applicable laws, rules or regulations