

AMENDED AND RESTATED BYLAWS

OF

HERITAGE BANK & TRUST

A TENNESSEE BANKING CORPORATION

ADOPTED AUGUST 5, 2019

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AMENDED AND RESTATED BYLAWS
OF
HERITAGE BANK & TRUST

ARTICLE I

SHAREHOLDERS AND STAKEHOLDERS

Section 1. Shareholder Value. The board of directors of Heritage Bank & Trust (“Heritage Bank” or “Bank”) shall use its business judgment to enhance the value of the Bank’s shares together with the benefit of the Bank’s depositors, communities, and other Stakeholders.

Section 2. Annual and Special Meetings. The Bank shall hold meetings of Shareholders as provided in Article X of these bylaws.

Section 3. Director Authority and Duties. The board of directors of the Bank (“Board”) shall manage the Bank in accordance with these bylaws and shall also make proposals for Bank business and nominations of directors in the exercise of the Board’s business judgment.

Section 4. Shareholder Proposals and Information. The Bank’s Shareholders shall have the right to request special meetings of Shareholders (“Special Meetings”) and to propose nominations and Bank business (“Shareholder Proposals”) as set forth in Articles X through XII of these bylaws.

Section 5. Information Owed to Shareholders. Shareholders are entitled to expect the Board to discharge its fiduciary duties in any Board nominations and proposals and to be informed in reasonable detail of all Shareholder Proposals. The Board shall use its business judgment in determining the level of information needed for Board-proposed nominations and other Bank business and for Shareholder Proposals. The information related to Shareholder Proposals (Required Information) and agreements intended to protect Shareholders, the Bank and Bank Representatives shall be mandatory. These are described in Article XI and Article XII of these bylaws. The term “Required Information” is defined in Section 2(a) of Article XI.

Section 6. Advance Notice. Because many Shareholders vote by proxy and do not attend meetings of Shareholders, the Board has determined that Shareholders are entitled to advance notice of business and proposals to be considered at any Annual or Special Meeting of the Shareholders as set forth in Section 10 of Article X.

ARTICLE II

DIRECTORS

Section 1. Directors.

1.1 Management by the Board of Directors; General Powers. The business and affairs of Heritage Bank shall be under the direction of its board of directors, which shall meet no less frequently than quarterly. A majority of the entire Board shall constitute a quorum. The Board shall elect annually a Chair and a secretary and such other officers as the Board may deem appropriate. The secretary shall keep minutes of each meeting, including a record of attendance and of all votes cast by each Director. In addition to the powers and authority conferred upon them by these bylaws, the Board may exercise all such powers and do such acts and things as it may be authorized to do by statute, by the rule or regulation of applicable regulatory authorities, by the Charter of Heritage Bank, or by the lawful approval or directive of the Shareholders.

1.2 Number, Election and Term of Office. (a) The Board shall consist of at least five (5) individuals who are Shareholders of either Heritage Bank or Heritage Bank's parent corporation (if any) but not more than twenty-five (25). By resolution of the Board, the Directors shall be divided into three classes as equal in number as practicable. At each Annual Meeting of Shareholders following the initial classification and election, Directors elected to succeed those Directors whose terms expire shall be elected for a three-year term of office. If a classified-board structure has not been adopted by the Board, then each Director shall serve a term of one (1) year. Without shortening a serving Director's term, the Board may adopt and terminate three-year terms (or one-year terms) on one or more occasions. Each Director shall hold office for the term for which the Person was elected and until his successor has been elected and qualified. No decrease in the number of authorized Directors constituting the entire board of directors shall shorten the term of any incumbent Director.

(b) A majority of the entire Board may set the number of Directors, from time to time, within this range without the approval of the Shareholders.

(c) Except in cases of disqualification or removal, each Director shall serve until his or her term expires.

(d) The Board, or an executive committee appointed by the Board, shall review periodically, in a manner satisfactory to the Commissioner of the Tennessee Department of Financial Institutions ("TDFI"), the lending and investment transactions occurring since the last review.

(e) The Board shall cause a review, at least once in each calendar year at intervals of not more than fifteen (15) months, of all the affairs of the Bank, including the character and

value of investments, loans, the efficiency of operating procedures, and any other matters that the Commissioner may prescribe, with the review discussed and recorded in the Board's minutes. In accordance with the Tennessee Banking Act, compliance with the external auditing requirements of the Bank's primary federal regulatory agency shall be deemed to be satisfactory compliance with this requirement. However, in the Commissioner's discretion, the Commissioner may require the Bank to obtain a financial statement audit or balance sheet audit.

1.3 Residency. A majority of the Directors shall reside within one hundred (100) miles of any branch of Heritage Bank for at least one (1) year immediately preceding their election and during the term of service as Directors. Each Director, during his or her term of service, shall be a citizen of the United States.

1.4 Special Meetings of the Board. The Commissioner, the Regional Director, one third (1/3) of the Directors, or any two (2) executive officers may call a Special Meeting of the Board. Further, with the concurrence of either the Chair, the Chief Executive Officer, or one-third (1/3) of the Directors, Heritage Bank's regulatory or securities counsel may call a Special Meeting for the purpose of discussing with the full Board any securities or regulatory issues that counsel deems to be in the best interest of Heritage Bank, the Board, and/or the Shareholders of Heritage Bank.

1.5 Director Qualifications. No Person shall be elected or re-elected a Director of Heritage Bank after attaining age seventy (70). No Person who is an immediate family member of another Director shall be eligible for election or re-election as a Director of Heritage Bank. For purposes of this section, "immediate family member" shall include spouses, children, parents, siblings, grandparents or grandchildren. No Disqualified Person shall serve as a Director. The term "Disqualified Person" is defined in Section 2(e) of Article XI.

Section 2. Vacancies of the Board. Vacancies among the Directors may be filled by vote of the remaining Directors, unless occurring because of removal by the Shareholders, at any regular or Special Meeting of the Board, and any Director so elected shall serve until the next Annual Meeting of Shareholders.

Section 3. Meetings of the Board.

3.1 Regular Meetings. Regular meetings of the Board shall be held at the main office of Heritage Bank at such time as the Board by majority vote may from time to time determine.

3.2 Special Meetings. Special Meetings of the Board may be held as determined by the Directors or may be called as provided in Article II, Section 1.4 of these bylaws.

3.3 Notice. No formal or written notice of regular meetings of the Board need be given the Directors, but written notice of special or called meetings shall be mailed to each Director at least five (5) days before the meeting. Notice of any such meeting may be waived in

writing at any time before, during or after the meeting. Attendance in person at the meeting shall constitute a waiver of notice thereof unless attendance is for the purpose of objecting to the meeting.

3.4 Presence at Meeting. A Director who is present at a meeting of the Board when corporate action is taken is deemed to have assented to the action taken unless: (a) the Director objects at the beginning of the meeting (or promptly upon the Director's arrival) to holding the meeting or transacting business at the meeting; (b) the Director's dissent or abstention from the action taken is entered in the minutes of the meeting; or (c) the Director delivers written notice of the Director's dissent or abstention to the Presiding Officer of the meeting before its adjournment or to Heritage Bank immediately after adjournment of the meeting. The right of dissent or abstention is not available to a Director who votes in favor of the action taken.

3.5 Vote by Written Consent. Whenever the Directors are required or permitted to take any action by vote, such action may be taken without a meeting by written consent setting forth the action so taken, signed by all the Directors entitled to vote thereon. Such written consent may be by any number of counterparts and may be evidenced by signatures of the Directors transmitted by facsimile or other electronic means. Unless otherwise determined by the Board by special resolution, an action on written consent shall be deemed adopted if all of the members of the Board consent to acting on written consent and a majority of the Board votes in favor of the action or resolution.

3.6 Special Meetings and Electronic Communications; Polling. The Board may hold Special Meetings by telephonic conference calls, video conference, webcast, or other electronic means so long as the members of the Board are able to hear and interact with each other in real time. In addition, the Chair or the Chief Executive Officer may poll the Board for actions that require immediate attention; provided, however, any such action taken by polling the Board shall be ratified by the Board at its next regular or Special Meeting.

Section 4. Removal of Directors. By a majority vote, the Shareholders may remove one (1) or more Directors with or without cause at a meeting called specifically for that purpose, and the meeting notice must state that the purpose, or one of the purposes of the meeting is for the removal of one or more Directors. Any or all of the Directors may be removed for cause by a vote of a majority of the entire board of directors at a meeting called specifically for that purpose. For purposes of these bylaws, "cause" means personal dishonesty; incompetence; willful misconduct; breach of fiduciary duty involving personal profit; moral turpitude; intentional failure to perform stated duties; or willful violation of any law, rule or regulation which negatively impacts Heritage Bank (other than traffic violations or similar offenses).

Section 5. Resignation of Directors. A Director may resign at any time by delivering written notice to the Board, the Board Chair, or the Chief Executive Officer. A resignation is effective when the notice is delivered unless the notice specifies a later effective date not to exceed thirty (30) days.

Section 6. Presiding Officer. The Presiding Officer shall preside at all meetings of the Board. Based on availability and willingness or capacity to serve, the “Presiding Officer” shall be, in order of priority, the Chair, the Vice Chair (if any), the Chief Executive Officer, and the President. If none of the foregoing Persons is available, willing or able to serve, the Board shall select another Board member to serve as Presiding Officer for the meeting.

Section 7. Quorum. A majority of the members of the Board shall constitute a quorum to transact business, and all questions shall be decided by a majority vote of the Directors present, assuming a quorum, unless a greater number is required by law.

Section 8. Board Minutes. The Board shall take and maintain minutes of its meetings. All such minutes shall be permanent records of the Bank. However, in appropriate circumstances, the Board may vote to seal such minutes in order to protect matters of a lawful but confidential nature (such as proposed extraordinary transactions and litigation).

Section 9. Removal of Officers and Employees. Any or all officers and members of committees, as well as all other employees of Heritage Bank, may be removed at any regular or Special Meeting of the Board without the necessity of any specification thereof in the call of the meeting, and any officer, employee or committee member may be suspended by the Chair, the Chief Executive Officer, and/or the President until the next meeting of the Board; provided, however, that such removals or suspensions shall be made, where appropriate, after consultation with counsel or other advisors to assure compliance with applicable labor and employment laws and regulations.

Section 10. Appointment of Agents and Employees; Bonds; Insurance.

(a) The Board shall direct and require good and sufficient fidelity bonds on all active officers and employees, whether or not they draw salary or compensation, which bonds shall provide for indemnity to the Bank on account of any losses sustained by it as the result of any dishonest, fraudulent or criminal act or omission committed or omitted by them acting independently or in collusion or combination with any Person or Persons. The bonds may be in individual, schedule or blanket form, and the premiums for the bonds may be paid by the Bank.

(b) The Board shall prescribe at least once in each year the amount of penal sum of the bonds or policies and the sureties or underwriters thereon, after giving due and careful consideration to all known elements and factors constituting the risk or hazard. The Board’s action shall be recorded in the Board’s minutes and shall be subject to the approval of the Commissioner.

(c) In lieu of providing a good and sufficient fidelity bond on all active officers and employees as required by subsection (a), the Bank, to the extent permitted by the Tennessee Banking Act, may establish a special reserve fund in such form, amount, and including such

assets, as approved by the Commissioner and any rules or regulations issued by the Commissioner.

(d) The Board shall direct and require suitable insurance protection to the Bank against burglary, robbery, theft, liability and other similar insurable hazards to which the Bank may be exposed in the operations of its business on Bank premises or elsewhere.

(e) All agents and employees shall be appointed by the Chief Executive Officer, the President or by a Person designated by the Chair. Fidelity bonds shall be formulated by any officer or employee of Heritage Bank in such form and amount and with such surety as may be required and approved by the Executive Committee or by the Board. Such bond shall be lodged with the Chief Executive Officer or the Chief Operating Officer of the Bank who shall see to the renewal and safekeeping of the same. The bond amount, terms, and related matters shall conform to the requirements of the Tennessee Banking Act.

Section 11. Vacancies of Officers. Any vacancy occurring among the executive officers of Heritage Bank shall be filled as soon as practicable by the Board at any regular or Special Meeting thereof.

Section 12. Additional Powers. In addition to the powers and authority conferred upon them by these bylaws, the Board may exercise all such powers and do all such acts and things as it may be directed or required to do by applicable law and regulation, Heritage Bank's Charter, or the Shareholders.

ARTICLE III

COMMITTEES OF THE BOARD

Section 1. Executive Committee.

(a) There may be an Executive Committee of the Board consisting of at least three (3) Directors elected by the Board one of whom shall be the Chief Executive Officer (or in his absence the President or Chair of the Board). Except as set forth below, the Executive Committee shall have all the powers of the Board in the management and conduct of the business and affairs of Heritage Bank in the intervals between meetings of the Board, and shall report its actions to the Board at its regular meetings. However, in the absence of express Board resolution, the Executive Committee may not:

(1) Except according to a formula or method prescribed by the Board, authorize dividends (in cash, debt or property other than shares of Heritage Bank) purchases, redemptions or other acquisitions of shares of Heritage Bank or the incurrence of indebtedness (directly or indirectly, including through a guaranty) by Heritage Bank to or for the benefit of its Shareholders in respect of any of its shares, or set a record date for any such action(s);

(2) Approve or propose to Shareholders action for which the Tennessee Banking Act or the Tennessee Business Corporation Act requires approval by Shareholders entitled to vote thereon;

(3) Fill vacancies on the Board or any of its committees;

(4) Amend the Charter of Heritage Bank;

(5) Adopt, amend or repeal these bylaws;

(6) Approve a plan of merger, share exchange, liquidation, or other comparable extraordinary transaction whether or not such transaction would require Shareholder approval;

(7) Call a meeting of the Shareholders or set any record date, date, time, or place for any such meeting; or

(8) Authorize or approve the issuance or sale or contract for sale of shares, or determine the designation and relative rights, preferences and limitations of a class or series of shares, except that the Board may authorize the Executive Committee (or any senior executive officer of Heritage Bank) to do so within limits specifically prescribed by the board of directors.

(b) Vacancies in the membership of the Executive Committee may be filled at any meeting of the Board.

(c) Meetings of the Executive Committee shall be held subject to call by the Chair of the Committee or the Chief Executive Officer.

(d) The Chief Executive Officer and the President (if the President is a different Person from the Chief Executive Officer) shall be a member of the Executive Committee.

Section 2. Audit Committee.

(a) There may be an audit committee ("Audit Committee") composed of at least three (3) Directors elected by the Board, only one of whom shall be officers employed on a regular full-time basis by Heritage Bank or any of its affiliates. The Board shall appoint from among the members of the committee a chairman thereof, who shall preside at meetings of the committee and shall direct its work. If no separate Audit Committee is selected by the Board, then the Board shall be deemed to be acting as an audit committee consisting of the entire Board.

(b) The Audit Committee shall determine that the affairs and operations of Heritage Bank and its affiliates are subject to appropriate audits and control procedures, shall report

regularly to the Board, at least annually, in connection with the activities, findings and reports of both internal and independent audits of Heritage Bank and its affiliates, and shall provide guidance and assistance to such auditors, as appropriate under the circumstances, including providing that such auditors shall exercise their function independently of management, wherever appropriate. If requested to do so by the Board or the Executive Committee, the Audit Committee shall review any transaction with the Bank in which a Director or officer of the Bank has a direct or indirect interest.

Section 3. Loan Committee. There may be a loan committee (“Loan Committee”). The Loan Committee may include one or more lending officers of Heritage Bank and shall include the Chief Executive Officer. The Loan Committee shall elect a chairperson from among its members. The Loan Committee shall meet any time upon the call of the chairperson of the Committee or the Chief Executive Officer, or the Board Chair. The Loan Committee shall consider and vote on loans as submitted by the executive and lending officers of Heritage Bank and as directed by the Board. The Loan Committee may approve or reject loans within its Board-given authority and may refer loans, with or without a recommendation for approval, to the Board by a majority vote of a quorum of the Loan Committee. A majority of the members of the Loan Committee shall constitute a quorum, and resolutions may be adopted by a majority vote of a quorum.

Section 4. Investment Committee. There may be an investment committee (“Investment Committee”). The Investment Committee may include one or more officers of Heritage Bank and shall include the Chief Executive Officer and the Bank’s cashier or chief financial officer (“Chief Financial Officer”). The Investment Committee shall elect a chairperson from among its members. The Investment Committee shall meet any time upon the call of the chairperson of the Committee, the Chief Executive Officer, the Chief Financial Officer, or the Board Chair. A majority of the members of the Investment Committee shall constitute a quorum, and resolutions may be adopted by a majority of a quorum. The Investment Committee shall oversee Heritage Bank’s investment portfolio in accordance with the investment policies and procedures of Heritage Bank in effect from time to time and shall make periodic reports to the full board of directors.

Section 5. Other Committees. The Board may appoint other committees, from time to time, as recommended by the Board Chair or the Chief Executive Officer, for such purposes and with such powers as the Board may determine. Unless otherwise specified by the Board or these bylaws, a majority of the committee members will constitute a quorum of any Board-appointed committee.

Section 6. Committee Minutes. All committees of the Board shall maintain minutes and shall report those periodically to the Board. All such minutes shall be available to the Board and shall be permanent records of the Bank.

Section 7. Committee Counsel and Attorney-Client Privilege. Any special litigation committee, merger and acquisition (or comparable) committee, audit committee, and any other committee authorized by the Board shall have the right to independent counsel with such rights of confidentiality and attorney-client privilege as specified in Section 12 of Article XIII.

ARTICLE IV

OFFICERS

Section 1. Chairperson of the Board. The Board Chair shall be, unless otherwise specified, the Presiding Officer of the Bank and shall preside at meetings of the Board. If a Board Chair is not elected by the Board, the Chief Executive Officer of Heritage Bank shall serve as Board Chair. The Board Chair or the Chief Executive Officer shall make or cause to be made a report of Heritage Bank's condition to the Shareholders at each Annual Meeting. The Board Chair, together with the Chief Executive Officer and the Executive Committee, with the advice and consent of the Board, shall determine the general policy of Heritage Bank to be followed by its officers and employees.

Section 2. Vice Chair. The vice chairperson ("Vice Chair") of the Board, if elected by the Board, shall preside at all meetings at which the Board Chair is not present or is unable or unwilling to preside.

Section 3. Secretary. (a) The secretary of the Board shall attend and keep minutes of all meetings of the Shareholders and the Board and shall issue notices of all meetings of Shareholders, Directors, or other meetings where notice is required by these bylaws or by the Board, and shall perform all duties incident to the position of secretary, subject to control of the Board. The secretary shall record all votes and minutes of all such proceedings in a manner prescribed by law.

(b) The Board may appoint an employee or agent of Heritage Bank to actually record the minutes and perform administrative duties for the Board and the Shareholders, but the secretary of the Board shall be a member of the Board.

Section 4. Chief Executive Officer. The Chief Executive Officer shall be a member of the Board and shall have general and active management of the business of Heritage Bank and shall see that all orders and resolutions of the Board are carried into effect. The Chief Executive Officer shall oversee the credit functions, operations, and personnel of Heritage Bank. At each regular meeting of the Board, the Chief Executive Officer shall render a report of the expenses of Heritage Bank for the previous month and shall render a statement of the general condition of the business of Heritage Bank as of the close of business on the last day of the previous calendar month. The Chief Executive Officer shall have the power and authority to sign checks, drafts and certificates of deposit; to make loans; and to accept any and all appointments as receiver, administrator, executor, assignee, guardian, depository or trustee, or any other escrow

appointments, as may be permitted by applicable law or regulation, upon such terms as may to the Chief Executive Officer seem appropriate and in the best interest of Heritage Bank. The Board may alter the duties of the Chief Executive Officer from time to time as may be in the best interest of Heritage Bank without the necessity of amending these bylaws.

Section 5. President. The Board may appoint a President of the Bank who must be a member of the Board. Such officer shall have such duties as may be delegated to them from time to time by the Board, the Executive Committee, or the Chief Executive Officer. Unless another Board member is elected “President”, the Chief Executive Officer shall be the President of the Bank.

Section 6. Chief Financial Officer. The Board shall elect a cashier or chief financial officer to monitor and direct the financial accounting, recordkeeping, and financial reporting offices of the Board (a “Chief Financial Officer”). Unless otherwise directed by the Board, the Chief Financial Officer shall be the cashier and treasurer of the Bank.

Section 7. Other Officers. The Board may appoint such other officers of Heritage Bank as the Board may deem necessary and proper. Such other officers shall perform the duties and have the authority delegated to them by the Board, the Executive Committee, or the Chief Executive Officer.

Section 8. Vacancies. The Board may fill vacancies at any special or regular meeting, and the officers filling such vacancies shall hold such offices until their successors are elected and qualified.

Section 9. Compensation; Contracts. The compensation of executive officers of the Bank shall be fixed by the Board, from time to time. Employment and other contracts approved by a Board vote shall be enforceable against the Bank.

ARTICLE V

INDEMNIFICATION

Heritage Bank shall indemnify any and all Persons who may serve or who have served at any time as Directors or officers, or who at the request of the board of directors of Heritage Bank may serve or at any time have served as Directors or officers of another corporation in which Heritage Bank at such time owned or may own shares of stock (or other financial interest) or of which it was or may be a creditor, and their respective heirs, administrators, successors and assigns, against any and all expenses, including amounts paid upon judgments, counsel fees, and amounts paid in settlement (before or after suit is commenced), actually and necessarily incurred by such Persons in connection with the defense or settlement of any claim, action, suit or proceeding in which they, or any of them, are made parties, or a part, or which may be asserted against them or any of them, by reason of being or having been Directors or officers or a

Director or officer of Heritage Bank, or of such other corporation, if such Director or officer acted in good faith for a purpose which she or he reasonably believed to be to the best interest of Heritage Bank or such other corporation and, in criminal actions or proceedings, in addition, had no reasonable cause to believe that her or his conduct was unlawful. This provision of the bylaws is intended to supplement, and not to limit, the rights of indemnity held by officers, Directors and others under Heritage Bank's Charter or such other corporation's charter, under applicable law, or under any policy of insurance that Heritage Bank or such other corporation may now or hereafter have in effect. Indemnification shall be limited, to the extent required by law, by the operation of the Tennessee Banking Act, the Tennessee Business Corporation Act, the Federal Reserve Act, and the Federal Deposit Insurance Act and any other applicable law but only to the extent required thereby.

ARTICLE VI

OFFICES

Section 1. Registered Office. The registered office of Heritage Bank in the State of Tennessee shall be located at 217 South James Campbell Boulevard, Columbia, Maury County, Tennessee 38401. The name of Heritage Bank's registered agent at such address shall be James Robinson. The registered office and/or registered agent of Heritage Bank may be changed from time to time by action of the board of directors. Reference in these bylaws to Heritage Bank's "Main Office" means the registered office.

Section 2. Other Offices. Heritage Bank may also have offices at such other places, both within and without the State of Tennessee, as the board of directors may from time to time determine.

ARTICLE VII

STOCK CERTIFICATES AND RECOGNITION OF OWNERSHIP

Section 1. Shares. The capital stock of Heritage Bank shall consist of the type and number of shares provided for in the Charter or amendments thereto.

Section 2. Evidence of Share Ownership.

(a) Shares of Heritage Bank stock may be certificated or uncertificated, including "book entry", and may be stored, recorded, and reported in any manner permitted by law, inclusive of electronic and other digital methods. For convenience, reference to "certificates" means physical and other certificate formats whether any such share or shares are certificated or uncertificated.

(b) To the extent required by law or by direction of the Board, every holder of stock in Heritage Bank shall be entitled to have a physical certificate, signed by, or in the name of Heritage Bank.

(c) Physical, electronic, digital, and other formats of Heritage Bank shares shall be signed (physically or electronically) by the Board Chair, the Chief Executive Officer, the President, the Chief Financial Officer, or a Vice President and the secretary or an assistant secretary of Heritage Bank, certifying the number of shares owned by such holder in Heritage Bank.

(d) If any certificate is countersigned (1) by a transfer agent or an assistant transfer agent other than Heritage Bank or its employee or (2) by a registrar, other than Heritage Bank or its employee, the signature of any such Board Chair, Chief Executive Officer, President, Chief Financial Officer, Vice President, secretary, or assistant secretary may be facsimiles.

(e) In case any officer or officers who have signed, or whose facsimile signature or signatures have been used on, any such certificate or certificates shall cease to be such officer or officers of Heritage Bank whether because of disability, death, resignation or otherwise before such certificate or certificates have been delivered by Heritage Bank, such certificate or certificates may nevertheless be issued and delivered as though the Person or Persons who signed such certificate or certificates or whose facsimile signature or signatures have been used thereon had not ceased to be such officer or officers of Heritage Bank.

(f) All certificates for shares shall be consecutively numbered or otherwise distinctively identified.

(g) The name(s) of the Person to whom the shares represented thereby are issued, with the number of shares and date of issue, shall be entered on the books of Heritage Bank.

(h) Shares of stock of Heritage Bank shall only be transferred on the books of Heritage Bank by the holder of record thereof or by such holder's attorney duly authorized in writing, upon surrender to Heritage Bank of the certificate or certificates for such shares endorsed by the appropriate Person or Persons, with such evidence of the authenticity of such endorsement, transfer, authorization, and other matters as Heritage Bank may reasonably require, and accompanied by all necessary stock transfer stamps. In that event, it shall be the duty of Heritage Bank to issue a new certificate to the Person entitled thereto, cancel the old certificate or certificates (physically or digitally), and record the transaction on its books.

(i) The Board may appoint a bank or trust company, or any other appropriate bank, trust company, or agency organized under the laws of the United States or any state thereof to act as its transfer agent or registrar, or both, in connection with the transfer of any class or series of securities of Heritage Bank.

(j) The Board may adopt any form of certificates or recordkeeping permissible by the laws applicable to commercial banks in the State of Tennessee with deposits insured through the Federal Deposit Insurance Corporation.

(k) The certificates shall contain such other provisions as may be required by law, by Charter, and/or by the board of directors.

Section 3. Lost Certificates. The Board may direct a new certificate or certificates to be issued in place of any certificate or certificates previously issued by Heritage Bank alleged to have been lost, stolen, or destroyed, upon the making of an affidavit of that fact by the Person claiming the certificate of stock to be lost, stolen, or destroyed. When authorizing such issue of a new certificate or certificates, Heritage Bank may, in its discretion and as a condition precedent to the issuance thereof, require the owner of such lost, stolen, or destroyed certificate or certificates, or his or her legal representative, to give Heritage Bank a bond sufficient to indemnify Heritage Bank against any claim that may be made against Heritage Bank on account of the loss, theft or destruction of any such certificate or the issuance of such new certificate. For purposes of this Section 3, reference to Heritage Bank includes any transfer agent or registrar as may then be engaged by the Bank.

Section 4. Registered Shareholders.

4.1 Registered Holders. Prior to the surrender to Heritage Bank of the certificate or certificates for a share or shares of stock with a request to record the transfer of such share or shares, Heritage Bank may treat the registered owner as the Person entitled to receive dividends, to vote, to receive notifications, and otherwise to exercise all the rights and powers of an owner. Heritage Bank shall not be bound to recognize any equitable or other claim to or interest in such share or shares on the part of any other Person, whether or not it shall have express or other notice thereof. Shares may be beneficially owned but beneficial ownership does not generally or automatically bestow on the beneficial owner the right to receive notices or other communications from the Bank, the right to vote shares, or the right to receive dividends or distributions. Beneficial ownership is also described in Section 13 of Article XIII.

4.2 Apparent Endorsement of Certificates. The apparent endorsement of a certificate by the Person appearing by the stock record and certificate to be the owner of the shares represented thereby shall be effectual and fully protect Heritage Bank, its officers or agents, against any claim for loss or damage by reason of a forgery of such signature or otherwise, if such signature appears to have been witnessed by one or more Persons known to the Secretary of Heritage Bank, or whose signature is witnessed by an officer of a state or national bank having an office in the State of Tennessee, and Heritage Bank shall not be required to transfer stock unless the signature of the apparent owner appears to be witnessed by one or more such Persons. The Bank may (but shall not be required to) rely on any signature purported to be guaranteed by a medallion signature guarantee. In addition, Heritage Bank may rely upon and shall be protected by any and all sections of the Uniform Commercial Code Investment Securities set forth in

Tennessee Code Annotated, Sections 47-8-101 through 47-8-601, inclusive, and any amendments thereto.

ARTICLE VIII

PROXIES

Section 1. Proxies and Consents. (a) Each Shareholder entitled to vote at a meeting of Shareholders or to express consent or dissent to corporate action in writing without a meeting may authorize another Person or Persons to act for him or her by proxy, but no such proxy shall be voted or acted upon after eleven months from its date, unless the proxy expressly provides for a longer period.

(b) All proxies must be in a form approved or provided by Heritage Bank, in writing, executed by the holder of record of the shares of stock referred to therein, or by the due and lawful attorney-in-fact, personal representative, trustee or guardian of such record holder, supported by a certified copy of the appointment, letters or other paper relied on as the authority of such attorney-in-fact, personal representative, trustee or guardian, to act for the Shareholder of record and received by the secretary prior to the meeting governed therein.

(c) Proxies may run to and empower not more than two (2) people, either jointly or severally, to exercise the proxy; and the holder of record of any stock who executes a proxy to vote same at any meeting shall be bound and estopped by any action taken at such meetings and adjournments of any meetings and whatever transpires thereat to the same extent as if such Shareholder were present and voting in person; provided, however, that the signature on any proxy of a Shareholder of record or of his lawful attorney-in-fact, personal representative, trustee or guardian must be witnessed by the signatures of two Persons or attested by a Notary Public under his or her official seal of office, and when any such proxy bears the purported signature of the holder of record and purports to have been so witnessed or attested, neither Heritage Bank nor any officer, Director or other Shareholder shall be responsible or liable to any Shareholder of record or to anyone else because of forgery or for any other cause. If two (2) people are designated as proxy, they must agree to the vote and if they disagree then the proxy shall be void and the Shareholder's shares shall be counted towards a quorum but deemed to be not voting.

(d) At each meeting of the Shareholders, and before any voting commences, all proxies filed at or before the meeting shall be submitted to and examined by the secretary or a Person designated by the secretary, and no shares may be represented or voted under a proxy that has been determined to be invalid, illegible, or not responsive to the notice of the meeting.

(e) A proxy may permit the named proxy or proxies to name their own substitutes.

(f) In the event of a disputed proxy, or one questioned in good faith by the corporate secretary or such Person's designee, the proxy may be disregarded by the Bank.

Section 2. Revocability, Etc. A duly executed proxy shall be irrevocable if it states that it is irrevocable and if, and only as long as, it is coupled with an interest sufficient in law to support an irrevocable power consistent with the requirements of T.C.A. §48-17-203. A proxy may be made irrevocable regardless of whether the interest with which it is coupled is an interest in the stock itself or an interest in Heritage Bank generally.

Section 3. Suspension of a Proxy. Any proxy is suspended when the Person executing the proxy is present at a meeting of Shareholders, affirmatively revokes her or his proxy at any time before it is first voted on any ministerial or substantive business, and elects to vote, except that when such proxy is coupled with an interest and the fact of the interest conspicuously appears on the face of the proxy, the agent named in the proxy shall have all voting and other rights referred to in the proxy, notwithstanding the presence of the Person executing the proxy or any attempted revocation.

ARTICLE IX

ADOPTION OF THE PROTECTION OF TENNESSEE LAW

Section 1. Opt-In. To the maximum extent permitted by law, Heritage Bank hereby opts into the protections provided to it and to its Shareholders pursuant to the Tennessee Business Combination Statutes. As used herein, the term “Tennessee Business Combination Statutes” means the Tennessee Investor Protection Act, to the extent now or hereafter applicable to Heritage Bank (T.C.A. §§48-103-101, *et seq.*), the Tennessee Business Combination Act (T.C.A. §§48-103-201, *et seq.*), the Tennessee Control Share Acquisition Act (T.C.A. §§48-103-301, *et seq.*), the Tennessee Authorized Corporation Protection Act (T.C.A. §§48-103-401, *et seq.*), and the Tennessee Greenmail Act (T.C.A. §§48-103-501, *et seq.*), all as the same may be amended, supplemented and/or recodified from time to time. The protections and requirements of some or all of these statutes can be waived by the vote of three-quarters (75%) of the members of the entire Board.

Section 2. Board Considerations. In connection with any transaction that does or could be considered to be covered by any of the Tennessee Business Combination Statutes, or which involves any business combination, merger, consolidation, share exchange, liquidation, distribution, or comparable transaction, neither Heritage Bank nor any of its officers or Directors may be held liable for:

- (a) Failing to approve the acquisition of shares by an interested Shareholder on or before the date the Shareholder acquired such shares;
- (b) Seeking to enforce or implement the provisions of Tennessee law;

(c) Failing to adopt or recommend any Charter or bylaw amendment or provision relating to such provisions of Tennessee law; or

(d) Opposing any merger, share exchange, exchange, tender offer, or significant asset sale because of a good faith belief that such transaction would adversely affect Heritage Bank's depositors, employees, customers, suppliers and/or the communities in which Heritage Bank and/or its subsidiaries operate ("Stakeholders"), or any other relevant factor.

Section 3. Amendment of Bylaws Concerning Tennessee Business Combination Statutes. Except as otherwise provided by the Charter, if at all, or to the extent required by the laws of the State of Tennessee, as now in effect or hereafter amended, the bylaws of Heritage Bank may be amended or repealed or additional bylaws may be adopted by the board of directors by a vote of a majority of the entire board of directors. However, any amendment or repeal of any part of Articles I, V, or VIII through XIV of these bylaws effected by the Directors shall require the affirmative vote of at least seventy-five percent (75%) of all of the members of the entire board of directors following at least twenty (20) days prior written notice to all members of the board of directors of the specific proposal or, if presented to the Shareholders, any amendment or repeal of any of such Articles and Sections of these bylaws effected by the Shareholders shall require the affirmative vote of more than fifty percent (50%) of all of the shares entitled to vote thereon following at least forty-five (45) days prior written notice to all Shareholders of the specific proposal.

Section 4. Voting Securities Owned by Heritage Bank. Voting securities in any other corporation held by Heritage Bank shall be voted by the Board Chair, the Chief Executive Officer, the President or a Vice President, unless the board of directors specifically confers authority to vote with respect thereto to another Director or officer, which authority may be general or confined to specific instances. Any Person authorized to vote securities shall have the power to appoint proxies, with general power of substitution.

ARTICLE X

SHAREHOLDER MEETINGS

Section 1. Annual Meetings. An annual meeting ("Annual Meeting") of the Shareholders of Heritage Bank shall be called and held each calendar year.

(a) The record date and the date and time of the Annual Meeting shall be determined by the Chief Executive Officer of the Bank or, if such Person fails to act, the Board shall determine the record date for and the date and time of such meeting.

(b) At the Annual Meeting, Shareholders shall elect Directors and transact such other Bank business as may properly be brought before the meeting as described in these bylaws.

(c) The Board may make nominations and propose business to Shareholders in accordance with its business judgment and the discharge of its fiduciary duties.

(d) Because Shareholders who are not Directors are not necessarily bound by a Director's fiduciary duties, they may make Shareholder Proposals only as set forth below in Article XI and Article XII. Shareholder business and nominations may not be proposed from the floor of the Annual Meeting but shall be proposed as provided in these bylaws.

Section 2. Special Meetings.

2.1 Right to Call Special Meetings.

(a) Special Meetings of Heritage Bank's Shareholders may be called by the Commissioner of the Tennessee Department of Financial Institutions (the "Commissioner") and the Regional Director of the Federal Deposit Insurance Corporation (the "Regional Director") in accordance with law.

(b) Special Meetings of Heritage Bank's Shareholders may be called by the chairperson of the Bank's board of directors ("Chair" or "Board Chair"), the Bank's Chief Executive Officer, the Bank's President, or at the request of a majority of the members of the entire board of directors.

(c) Special Meetings of Heritage Bank's Shareholders shall be called by the Board at the request of Eligible Shareholders as specified in Article XI of these bylaws.

(d) The record date and the date and time of any Special Meeting shall be determined by the Chief Executive Officer of the Bank or, if such officer fails to act, the Board shall determine the record date and the date and time of such meeting, unless a different date and time are specified by the Commissioner or Regional Director.

2.2 Special Meeting Business.

(a) At any Special Meeting, Shareholders shall elect Directors and/or transact such other Bank business as properly may be brought before the meeting as described in these bylaws.

(b) The Board may make nominations and propose business to Shareholders in the exercise of their business judgment and in accordance with the discharge of their fiduciary duties.

(c) Because Shareholders who are not Directors are not necessarily bound by a Director's fiduciary duties, they may make Shareholder Proposals only as set forth below in Article XI and Article XII.

Section 3. Place of Meetings. The Chief Executive Officer or the Board may designate any place, either within or without the State of Tennessee, as the place of meeting for any Annual Meeting or for any Special Meeting called by the board of directors. If no designation is made, or if a Special Meeting be otherwise called, the place of meeting shall be the principal executive office of Heritage Bank. At any Special Meeting called by the Commissioner or the Regional Director, the place of meeting shall be as specified by such Person(s).

Section 4. Notice. Whenever Shareholders are required or permitted to take action at a meeting, written or printed notice stating the place, date, time, and, in the case of Special Meetings, the purpose or purposes, of such meeting, shall be sent to each Shareholder entitled to vote at such meeting not less than ten (10) nor more than sixty (60) days before the date of the meeting, or as otherwise expressly provided herein with respect to written receipts. All such notices shall be delivered, either personally, by mail, by facsimile or e-mail, or by other appropriate method, by or at the direction of the board of directors, the Chair, the Chief Executive Officer, the President or the secretary. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail, postage prepaid, addressed to the Shareholder at his, her or its address as the same appears on the records of Heritage Bank. If sent by electronic, telephonic, or digital means, such notice shall be deemed delivered when sent to the recipient to the address or telephone number provided or confirmed by the recipient for such delivery.

Section 5. Adjourned Meetings; Postponements. When a meeting is adjourned to another time and place, notice need not be given of the adjourned meeting if the time and place thereof are announced at the meeting at which the adjournment is taken. Except as otherwise required by law, (a) at the adjourned meeting Heritage Bank may transact any business which might have been transacted at the original meeting; and (b) if the adjournment is for more than four (4) months or if, after the adjournment a new record date is fixed by the board of directors for the adjourned meeting, a notice of the adjourned meeting shall be sent to each Shareholder of record entitled to vote at the meeting. A meeting may be postponed for up to six (6) hours by the Presiding Officer for any reason or at the Presiding Officer's discretion.

Section 6. Conduct of Meetings. The Presiding Officer shall be the chairperson of the meetings of Shareholders, and the secretary of Heritage Bank or the Presiding Officer's designee shall serve as the secretary of such meetings. The Board or the Presiding Officer may, in such Person's discretion, utilize any rules of procedure, including (but not limited to) Rules of Conduct applicable to Meetings of Shareholders, Roberts Rules of Order, and comparable rules.

Section 7. Fixing a Record Date for Shareholder Meetings.

(a) In order that Heritage Bank may determine the Shareholders entitled to notice of or to vote at any meeting of Shareholders or any adjournment thereof, the board of directors may fix a record date, which record date shall not precede the date upon which the resolution fixing

the record date is adopted by the board of directors, and which record date shall not be more than sixty (60) nor less than ten (10) days before the date of such meeting. In the absence of an express resolution of the board of directors setting a record date for a Shareholder meeting, the Board Chair, the Chief Executive Officer, or the President may fix and alter such date and, by adoption of these bylaws, the Board hereby resolves that such date shall be the record date for the applicable Shareholder meeting.

(b) If no record date is fixed by the Board, the Chair, Chief Executive Officer, or the President, then the record date for determining Shareholders entitled to notice of or to vote at a meeting of Shareholders shall be the close of business on the next day preceding the day on which notice is first sent or given. Except as otherwise required by law or the Charter, a determination of Shareholders of record entitled to notice of or to vote at a meeting of Shareholders shall apply to any adjournment of the meeting; provided, however, that the board of directors may fix a new record date for the adjourned meeting and shall fix a new record date for the adjourned meeting if required by law.

Section 8. Quorum. The holders of a majority of the outstanding shares of the Bank's voting equity securities entitled to vote (based on voting power), present in person or represented by proxy, shall constitute a quorum at all meetings of the Shareholders, except as otherwise provided by statute or by the Charter. If a quorum is not present, the Presiding Officer and/or the holders of a majority of the shares present in person or represented by proxy at the meeting, and entitled to vote at the meeting, may postpone the meeting for up to six (6) hours and/or adjourn the meeting to another time and/or place. When a specified item of business requires a vote by a class or series (if Heritage Bank shall then have outstanding shares of more than one class or series) voting as a class, the holders of a majority of the shares of such class or series, present in person or represented by proxy, shall constitute a quorum (as to such class or series) for the transaction of such item of business.

Section 9. Business to be Considered.

(a) At any Annual or Special Meeting of the Shareholders, only such business shall be conducted as shall have been properly brought before such meeting. To be properly brought before an Annual or Special Meeting, business or nominations must be (1) specified in the notice of meeting (or any supplement thereto) given by or at the direction of the board of directors, (2) brought before the meeting by or at the direction of the board of directors, or (3) otherwise properly brought before the meeting, through the board of directors, by an Eligible Shareholder as provided in these bylaws. No business shall be considered at any Annual or Special Meeting unless it relates to business of the Bank.

(b) As used in these bylaws, the term "business of the Bank", "Bank business", "Heritage Bank business", and comparable terms shall be broadly construed to include all material aspects of (1) the businesses now or hereafter conducted by the Bank and (2) the Bank's management. However, this term shall not include political, religious, social, moral, ethical,

philosophical, or comparable issues not directly, clearly, and unambiguously related to the Bank's businesses being conducted by the Bank at the time of an Eligible Shareholder's item of Shareholder Proposal. Further, the term "Bank business" and comparable terms expressly exclude any obvious or perceived personal attack, potentially defamatory statements and innuendo, profanity, sarcastic comments or statements and/or comparable matters, all as determined by the board of directors (or its designated committee) in the exercise of its business judgment. The term "Bank business" also excludes trivial matters not material to the financial success of the Bank.

(c) The term "Eligible Shareholder" means one or more Shareholders who are not Disqualified Persons and who continuously meet all of the Qualifying Investment Requirements.

(d) Director nominees must not be Disqualified Persons and must comply with all other requirements of applicable law, the Bank's Charter, and these bylaws.

Section 10. Advance Notice of Business and Nominations. Because many Shareholders vote by proxy, and may not attend Annual or Special Meetings in person, Shareholder Proposals may not be made from the floor of an Annual or Special Meeting and shall be made only based on the advance notice set forth in these bylaws, inclusive of all Information Requirements as described in Article XI of these bylaws. The Board may only propose business or make nominations from the floor of a meeting if such proposals and/or nominations (a) are approved by a majority of the members of the entire Board and (b) are consistent with the Board's discharge of its fiduciary duties.

Section 11. Voting Rights; Consents. Except as otherwise provided by the Tennessee Business Corporation Act, the Tennessee Banking Act, by the Charter of Heritage Bank or by these bylaws, every Shareholder shall be entitled to one vote in person or by proxy for each share of voting common stock held by such Shareholder. Unless otherwise restricted by the Charter, any action required or permitted to be taken at any meeting of the Shareholders may be taken without a meeting if all Shareholders expressly consent thereto in writing, and the writing or writings are filed with the minutes of proceedings of the Board or committee.

Section 12. Vote Required; Plurality Voting for Directors. When a quorum is present, the affirmative vote of the majority of shares present in person or represented by proxy at the meeting and entitled to vote on the subject matter shall be the act of the Shareholders, unless (a) by express provisions of an applicable law or of the Charter a different vote is required, in which case such express provision shall govern and control the decision of such question, or (b) the subject matter is the election of Directors, in which case the nominees receiving the greatest number of votes shall be elected. Thus, "plurality voting" applies to the elections of Directors.

Section 13. Proxy Voting. Voting is permitted by proxy only as (a) expressly required by law and (b) as specified in Article VIII of these bylaws.

Section 14. Inspectors of Election; Opening and Closing the Polls. The board of directors by resolution shall appoint one or more inspectors, which inspector or inspectors may include individuals who serve Heritage Bank in other capacities, including, without limitation, as officers, employees, agents or representatives, to act at the meetings of Shareholders and make a written report thereof. One or more Persons may be designated as alternate inspectors to replace any inspector who fails to act. If no inspector or alternate has been appointed to act or is able to act at a meeting of Shareholders, the Chair of the meeting shall appoint one or more inspectors to act at the meeting. Each inspector, before discharging his or her duties, shall take and sign an oath faithfully to execute the duties of inspector with strict impartiality and according to the best of his or her ability. The inspectors shall have all duties prescribed by law, by Charter or bylaw, and by Board resolution. The Chair of the meeting shall fix and announce at the meeting the date and time of the opening and the closing of the polls for each matter upon which the Shareholders will vote at a meeting. In the absence of a specific resolution by the board of directors, the Chair, the Chief Executive Officer, or the President of Heritage Bank may appoint the inspector(s).

Section 15. Attendance at a Meeting; Objections to a Meeting. Attendance of a Shareholder or proxy at a meeting of one or more Shareholders shall constitute a waiver of notice of such meeting, except when the Shareholder or such Person's proxy attends for the express purpose of objecting at the beginning of the meeting to the transaction of any ministerial or substantive item(s) of business because, in the reasonable opinion of the objector, the meeting has not been lawfully called or convened. Such notice shall be in writing, shall specify in reasonable detail the objector's objections to the meeting, and shall be delivered to the secretary of the Annual or Special Meeting promptly upon the objector's arrival at the meeting. If the objector otherwise votes or participates in any of the business of the meeting, his objection shall be deemed to be waived.

ARTICLE XI

SHAREHOLDER PROPOSALS

Section 1. Demands. Except as specified in Section 6 of Article XII, any Eligible Shareholder may make a timely written request to the board of directors for consideration of one or more Shareholder Proposals at any Annual or Special Meeting of Shareholders. Such a request shall be deemed to be a "Demand".

Section 2. Required information. Each Demand shall comply with the requirements of this Article and shall include the Required information described in this Article.

(a) The term "Required information" includes all Proponent Information (defined in Section 5 of this Article), all Proponent Business Information (defined in Section 6 of this Article), all Proponent Nominee Information (defined in Section 7 of this Article), the Demand Reimbursement and Indemnity Agreement (as described in Section 4 of this Article) and, if one

or more Shareholder Nominations are involved, a duly executed Nominee Verification and Consent Agreement by each Proponent nominee (as described in Section 8 of this Article).

(b) An “Eligible Person” means any nominee who satisfies all of the requirements and qualifications of federal and Tennessee law to serve as a director of a financial institution with deposits insured through the Federal Deposit Insurance Corporation, who is not a Disqualified Person, and who otherwise meets the requirements of these bylaws.

(c) A “Proponent” is an Eligible Shareholder whose shares are to be counted toward the Qualifying Investment Requirement. Each Proponent must sign the Demand.

(d) The “Qualifying Investment Requirements” are the following:

(1) The Proponent Shareholder(s) must collectively own not less than ten percent (10%) of the voting power of the issued and outstanding voting equity securities of all classes and series of voting equity securities issued by the Bank (“Threshold Ownership Requirement”);

(2) The shares of one or more Disqualified Persons shall not be considered in calculating the Threshold Ownership Requirement.

(e) A “Disqualified Person” is a Person who has been convicted of or is under indictment for a felony or any misdemeanor involving financial misconduct (including, without limitation, embezzlement, breach of trust, or forgery), who is or who has been the subject of a regulatory removal proceeding, who is (1) a controlling owner of or (2) serving on the board of directors or as an officer, employee or representative (or in any comparable position) of a business (whether a bank or otherwise) that competes or proposes to compete with Heritage Bank and/or any Bank affiliate in any of the Bank’s or such affiliate’s lending, deposit-gathering, or other businesses at the time in question. Each of such actual or proposed lending, deposit-gathering, and other businesses may be referred to in these bylaws as a “Competing Business”.

Section 3. Contents of Each Demand. Each Demand submitted by an Eligible Shareholder shall be in writing, shall be in such form, and shall contain, in addition to the Required Information, such information consistent with these bylaws as the board of directors shall from time to time determine. The Demand must be signed by each Eligible Shareholder who is a Proponent and all signatures must be notarized. (Accordingly, any Eligible Shareholder whose shares are to be counted towards satisfaction of the Threshold Ownership Requirement must sign the Demand and have their signatures notarized.) In addition to the Required information, the Demand shall include all of the following:

(a) The representation of each Proponent and each Proponent nominee that such Person has carefully read, understood, and agreed to the requirements of the Bank’s Charter and these bylaws;

(b) The representation of each Proponent and each Proponent nominee that such Person, after diligent inquiry, believes that the Proponent Information, the Proponent Business Information (if any), and the Proponent Nominee Information (if applicable) is true, accurate and complete and not in any manner misleading by omission or commission;

(c) The joint and several agreement of each Proponent to pay all of the costs of calling and holding any demanded Special Meeting, including the advance payment of the Anticipated Total Costs as described in Section 4 below;

(d) The reimbursement and indemnity agreement describe in Section 4 below;

(e) The joint and several agreement of each Proponent to immediately correct any information that is or that becomes incorrect or misleading that is contained or referenced in the Demand and/or the Bank's proxy materials related to any Shareholder Proposal(s) at the Proponent's expense;

(f) The joint and several agreement of each Proponent to provide the information related to each Proponent and to any Shareholder Proposal as set forth in these bylaws and as otherwise requested by the Board; and

(g) The written agreement ("Nominee Verification and Consent Agreement") for each Eligible Shareholder nominee ("Shareholder Nominee").

Section 4. Demand Reimbursement and Indemnity Agreement. Each Demand related to a Special Meeting shall contain a reimbursement and indemnity agreement that shall include the following:

(a) The Demand shall provide that it is the joint and several duty of each and every Proponent to assure that all statements made with respect to the Proponent Information, the Proponent Business Information and the Proponent Nominee Information are true, accurate, complete, and not misleading by commission or omission. Neither Heritage Bank nor the board of directors shall be required to determine the lawfulness or accuracy of any Demand or any information supplied by any Proponent, but the Proponent shall be strictly liable for any misleading statement or omission. All Demands, Proponent Information, Proponent Business Information, Proponent Nominee Information and information in the Demand shall be deemed to be subject to the anti-fraud rules of Rule 10b-5 as promulgated by the United States Securities and Exchange Commission and those specified in the Tennessee Securities Act of 1980. It is the purpose of the board of directors to assure, to the extent practicable, that each Proponent provides accurate and adequate information to the other Shareholders to permit each Shareholder to make an informed decision as to the desirability, cost, and purpose of Proponent's business and the qualifications, desirability, and purposes of any nominee(s). However, unless the

nominee has actual knowledge to the contrary, the nominee shall not be responsible for the Proponent Business Information but only for his or her own information as a nominee.

(b) Each Person who is a “Proponent” shall be jointly and severally responsible to pay the actual costs incurred by the Bank in calling and holding a Special Meeting, including Communication Costs, except for the actual costs of printing and mailing any Bank response(s) to the Shareholder Proposal, including any Shareholder Nomination(s) (such Bank response costs being “Excluded Expenses”).

(c) The joint and several agreement of each Proponent to indemnify, defend, and hold harmless (“Proponent Indemnity”) the Bank and each Bank Representative from any and all claims, demands, and litigation related directly or indirectly to any Demand. The Board may specify the terms of such Proponent Indemnity as to any Shareholder Proposal.

(d) The term “Communication Costs” means and includes the costs of printing and mailing proxy or other communications materials with respect to Shareholder Proposal in accordance with these bylaws, plus all costs and charges that could be expected to be charged by brokers, dealers, and others who hold Bank stock in “street name,” such costs to include those described in Rule 14a-13 of Regulation 14A as promulgated by the Securities and Exchange Commission under the Securities Exchange Act, as in effect on the date hereof or as may be more broadly defined by the said Securities and Exchange Commission thereafter.

(e) The term “Total Anticipated Costs” is defined in Section 2(c) of Article XII.

Section 5. Proponent Information Defined. The term “Proponent Information” means:

(a) The name(s), address(es) and telephone numbers of the Persons who claim beneficial ownership of at least the Threshold Ownership Threshold of the issued and outstanding shares of a class of Heritage Bank’s voting equity securities as they appear on the stock transfer books of Heritage Bank or its third-party transfer agent or based on evidence reasonably satisfactory to a majority of the entire Board of the underlying identities of Eligible Shareholders who own shares in “street name” through a lawful custodian such as Cede & Company;

(b) A return address and contact Person for each Person who or which is an Eligible Shareholder including a valid and working telephone number and, if available, a facsimile number and e-mail address for each such Person;

(c) A statement as to whether any Shareholder who is an Eligible Shareholder is an “Interested Shareholder” (as defined in Section 14 of Article XIII) or is subject to or in any manner affiliated with a voting trust as that term is defined in the Tennessee Banking Act;

(d) A statement as to whether any Shareholder who is an Eligible Shareholder is acting in conjunction with any other Person or Persons not an Eligible Shareholder, naming such Person or Persons;

(e) A statement as to whether any Shareholder who is an Eligible Shareholder has agreed to sell, or is under contract to sell, all or any part of such Shareholder's voting equity securities in the Bank to another Person or Persons, naming such Person or Persons;

(f) A duly executed Demand in the form provided by the Bank to the Proponent upon written request pursuant to which each and every Proponent agrees jointly and severally to indemnify and hold the Bank harmless from and against the statements in the Proponent Business Information, and/or concerning the Proponent Nominee Information, and for all costs (including Anticipated Total Costs, as defined in Section 2(c) of Article XII) of calling and holding the Special Meeting;

(g) A statement as to whether any Person who is an Eligible Shareholder engages or proposes to engage in, or is the affiliate or associate of a Person who engages or proposes to engage in, a Competing Business;

(h) Such other information about each Shareholder who is an Eligible Shareholder as the Board may reasonably request; and

(i) Any other information about each Shareholder who is an Eligible Shareholder that a reasonably prudent investor would want to know about such Person(s).

Section 6. Proponent Business Information Defined. The term "Proponent Business Information" means:

(a) A reasonably detailed and accurate description of the business of the Bank that the Proponent proposes to be voted on at the Special Meeting;

(b) The purpose or purposes for which the business is to be considered and the reason(s) that such business is legitimately related to the business of the Bank (as defined below) that should properly be voted on by the Shareholders;

(c) The Proponent's best estimation of any anticipated costs, financially and otherwise, to Heritage Bank of implementing the Proponent's Shareholder Proposal, including the Proponent's method of calculating the anticipated costs;

(d) Whether one or more regulatory approvals are required of the Bank in connection with any part of the Proponent's Shareholder Proposal and, if so, describing such regulatory approval(s) in reasonable detail, the anticipated costs of such approval, and the Proponent's method of calculating the anticipated costs;

(e) Any business, personal, family or other interest that any Person who is one of the Proponents may have in the Shareholder Proposal;

(f) A statement as to whether any Shareholder who is an Eligible Shareholder intends to sell (or is under contract to sell) their Bank securities after any or all items of the Shareholder Proposal has been implemented or whether such Person intends to attempt to acquire additional shares of Heritage Bank's voting equity securities after the Proponent's business proposal(s) have been implemented;

(g) A statement as to whether any Shareholder who is an Eligible Shareholder is acting in conjunction with any other Person or Persons and, if so, naming such Person or Persons and describing such joint or conjunctive purpose;

(h) Any information that the Proponent believes could be a negative aspect of the Shareholder Proposal as well as any perceived positive attributes of such business;

(i) Any other information about the Shareholder Proposal that a reasonably prudent investor would want to know about such business including, without limitation, whether the Shareholder Proposal is expected to lead to a sale of the Bank or controlling interest in the Bank; and

(j) Any and all other information reasonably requested by the board of directors in connection with the Shareholder Proposal.

Section 7. Proponent Nominee Information Defined. The term "Proponent Nominee Information" means, as to each of the Proponent's nominees, any information about the nominee that a reasonably prudent investor would want to know about the nominee in making an informed decision about whether to vote for or against such nominee, including whether the Proponent is an affiliate or associate of the nominee or whether the nominee is or is affiliated or associated with any Interested Shareholder. Each nominee by a Proponent may be referred to as a "nominee" or a "Proponent nominee"; and:

(a) The Proponent nominee's full name, residence address and age at her or his last birthday, together with a telephone number to enable Heritage Bank to contact the nominee; and a statement as to whether the nominee is an American citizen or a resident and citizen of the State of Tennessee;

(b) A statement as to whether the Proponent nominee is a Shareholder and, if so, the number of shares of the Bank's voting equity securities (including class and/or series) owned by such Proponent nominee and all of the nominee's associates and affiliates both beneficially and of record;

(c) A reasonably detailed description of such Proponent nominee's business experience and principal business during the five (5) years before the date of the Demand;

(d) A statement as to whether the Proponent nominee has previously served (or is currently serving) on the board of directors or as an officer of a bank, bank holding company, mortgage company, other financial services company, or other business and a reasonable description of that service, including any other directorship(s) and/or officer positions then held by the nominee and the name and address of the companies on which such nominee has served in the last five (5) years or does presently serve;

(e) A statement as to whether the Proponent nominee engages or expects to engage in, or is an associate or affiliate of, a Competing Business;

(f) A statement as to whether any Shareholder that is an Eligible Shareholder has any business, personal, family or other relationship with the Proponent nominee and/or with any then-serving Director(s);

(g) A statement as to whether the nominee has any business, personal, family or other relationship with any then-serving Director(s);

(h) A statement as to whether the Proponent nominee is now in bankruptcy or under investigation or indictment or has previously been bankrupt or the principal of a bankrupt company or business, and whether the nominee has ever been convicted of a crime or pled *nolo contendere* to any crime that was a felony or that involved breach of trust, fraud, or any banking or securities law. Minor traffic and comparable offenses need not be listed but substance abuse violations (including driving while intoxicated by alcohol or drugs) shall be listed;

(i) A statement as to whether the nominee is an Interested Shareholder;

(j) A statement by the Proponent making the nomination that the nominee has agreed, in writing to be nominated, to be named in proxy materials, and to serve if elected, together with a manually executed and notarized original of the Nominee Verification and Consent Agreement described below;

(k) A statement as to whether the nominee is acting in conjunction with any other Person or Persons not an Eligible Shareholder, naming such Person or Persons;

(l) A statement as to whether the Proponent proposing the nominee intends to sell (or is under contract to sell) their Bank voting equity securities after the nominee's election to another Person or other Persons, naming such Person or Persons; or whether such Proponent or nominee intends to attempt to acquire additional shares of Heritage Bank's voting equity securities after the election of the nominee;

(m) A statement as to whether the Proponent nominee (or the nominee's affiliates and/or associates) intends to sell (or is under contract to sell) their Bank voting equity securities after the nominee's election to another Person or Persons, naming such Person or Persons; or whether the Proponent nominee (or the Proponent nominee's affiliates and/or associates) intends to attempt to acquire additional shares of Heritage Bank's voting equity securities after the election of the nominee;

(n) A statement as to whether the Proponent and/or the Proponent nominee is a member or a voting trust (or has agreed to become a member of a voting trust (as "voting trust" is defined in the Tennessee Banking Act)) with respect to the voting of any equity voting securities of Heritage Bank, disclosing the terms and members of such actual or planned voting trust;

(o) A statement as to whether any Shareholder who is an Eligible Shareholder, or the nominee, is acting in conjunction with any other Person or Persons and, if so, naming such Person or Persons and describing such joint or conjunctive purpose;

(p) A reasonably detailed statement by the Shareholder or Proponent that the nominee is qualified to be a bank director by law and by experience, training, or profession, briefly stating the nominee's business, training, or profession. Under Tennessee law, to be a director of a Tennessee banking corporation, bank directors must, during each director's whole term of service, be a citizen of the United States. A majority of the directors must reside in a state in which Heritage Bank has a branch location or within one hundred (100) miles of the location of any branch, both for at least one year immediately preceding their election and during their term of service as a director. In addition, the proposed director must not be disqualified from service by either state or federal law;

(q) A statement as to whether any regulatory approval is required of Heritage Bank or the nominee and, if so, describing the same, including anticipated costs to the Bank, in reasonable detail, and including the anticipated date of regulatory approval of such Proponent nominee;

(r) The reason(s) that the Proponent believes that such Proponent nominee would benefit the Bank or its Shareholders and whether such nominee intends to seek a change in the management, business plan, or ownership of the Bank;

(s) Any information that the Proponent believes could be a negative aspect of the proposed nomination as well as any perceived positive attributes of such nomination. If the nominee has ever been removed from a board of directors or has resigned from any corporate or company board, or has ever been an officer, director, or employee of any failed bank or any company or other entity that has filed for bankruptcy or been adjudicated bankrupt, then reasonably detained information about such event(s) shall be disclosed; and

(t) Any and all other information specified in these bylaws or otherwise reasonably requested by the board of directors.

Section 8. Nominee Verification and Consent Agreement. Each nominee's Nominee Verification and Consent Agreement shall be signed by the nominee, whose signature shall be notarized, and shall contain all of the following:

- (a) A verification by the Proponent nominee that he or she is an Eligible Person;
- (b) A verification that he or she has carefully read, understood, and agreed to the requirements of the Bank's Charter and these bylaws;
- (c) A verification that the Proponent Nominee Information delivered by the Proponent to the Board and related to such Person is true, accurate and complete and not in any manner misleading by omission or commission;
- (d) The undertaking of each nominee to immediately correct any Proponent Nominee Information that is or that becomes incorrect or misleading that is contained or referenced in the Demand and/or the Bank's proxy materials related to any Shareholder Nomination at the nominee's expense;
- (e) The agreement of the Shareholder Nominee to indemnify, defend, and hold harmless ("Nominee Indemnity") the Bank and each Bank Representative from any and all claims, demands, and litigation related directly or indirectly to any omitted or misleading information related to the nominee. The Board may specify the terms of such Nominee Indemnity as to any Shareholder Nominee;
- (f) A statement as to whether the nominee owns shares of the Bank's voting equity securities and the period of time that has elapsed since she or he first acquired such ownership;
- (g) The nominee's agreement to provide additional information to the board on request;
- (h) The nominee's consent to be named in the Bank's proxy materials related to her or his nomination; and
- (i) The nominee's agreement to serve on the Bank's board of directors for a full term if elected.

Section 9. Board Consideration. No Demand need be considered or acted upon by the Board in the absence of a proper Demand accompanied by all Required information, consents, indemnities, and reimbursement and other agreements.

ARTICLE XII

SHAREHOLDER MEETING PROCEDURES

Section 1. Meetings of Shareholders Called by the Board or Regulators. Meetings of Shareholders called by the Board, by the Commissioner, and/or the Regional Director shall be conducted as set forth in Article I and in this Article. The Presiding Officer shall have the authority granted to such Person in these bylaws.

Section 2. Procedures Related to Shareholder Proposals.

(a) Upon receipt of an Eligible Shareholder's Demand, the Bank shall determine if the Proponent has satisfied the requirements for any Shareholder Proposal and shall advise the Proponent, in writing, not later than thirty (30) days after actual receipt of the Demand, as to whether the Bank deems the Demand to be complete or, if not, the perceived deficiencies or requests for additional information by the board of directors. The Proponent shall have a reasonable time, not to exceed sixty (60) days, to respond to the Board's determination as deficiencies.

(b) If the Board and the Proponent cannot agree on the adequacy or accuracy of the Demand, either party may seek declaratory relief in the Chancery Court for Maury County, Tennessee, to obtain an order of that Court resolving any dispute. Either party may appeal any such order pursuant to and within the time specified by Tennessee law.

(c) Once the Bank has either agreed that one or more items of an Eligible Shareholder's Shareholder Proposal in the Demand have been properly submitted, as to form and content, or to the extent such issue has otherwise been resolved in favor of the Proponent, the Bank shall promptly advise the Proponent of the anticipated Communication Costs and, in addition, the anticipated costs of calling and holding the Special Meeting ("Total Anticipated Costs"). The Proponent shall, within ten (10) days of receipt of the Bank's estimated statement of Total Anticipated Costs, deposit with the Bank cash in the amount of the Total Anticipated Costs to pay the estimated Total Anticipated Costs of the proposed Special Meeting. The Bank shall keep a record of the costs actually incurred and the Proponent shall be liable therefor. If the Bank's actual expenses related to calling and holding the Special Meeting, including Communication Costs, exceed the amount deposited by the Proponent, the Proponent shall promptly, within ten (10) days after the date of the Special Meeting, reimburse the Bank for such excess, as reasonably determined by the board of directors; provided, that the Bank shall reimburse the Proponent for any overpayment. To the extent that the Bank includes its responses to the Shareholder Proposal in the mailing, the Proponent shall not be charged the Excluded Costs (that is, the costs of preparing, printing and mailing the Bank's responses). No interest shall be paid on the Proponent's deposit to cover Anticipated Total Costs.

(d) Once the Bank has agreed or been ordered by a final judgment to call the Special Meeting, the board of directors shall set a record date as specified in these bylaws for the Special Meeting, and the Board shall then call the Special Meeting for a date not later than thirty (30) days after the date of mailing of the proxy materials to Shareholders with respect to the Special Meeting. Heritage Bank shall prepare and mail notice of a properly demanded Special Meeting to the Shareholders by Heritage Bank not more than thirty (30) days after Heritage Bank's receipt of a proper Demand and the Special Meeting shall be held not less than thirty (30) and not more than sixty (60) days after the date that the notice thereof has been mailed by Heritage Bank.

(e) Heritage Bank shall print (or copy) and mail the Proponent's information (including the Proponent Information, the Proponent Business Information and/or the Proponent Nominee Information), with any recommendation or response determined by the board of directors with respect to the Shareholder Proposal, to the Shareholders as of the record date set for the Special Meeting by the board of directors together with a form of proxy to be used at the meeting. Heritage Bank shall also prepare and mail the form of proxy to be used at the Special Meeting and may not be required to accept any other form. All costs related to calling and holding the Special Meeting other than Excluded Costs shall be paid by the Proponent.

(f) No Shareholder Proposal shall be considered at an Annual or Special Meeting unless the same is specified in reasonable detail in the Demand supplied by the Proponent to Heritage Bank and fully and completely complies with Heritage Bank's Charter and these bylaws. Heritage Bank shall be entitled to respond to any Shareholder Proposal and all other information provided by the Proponent and to verify the identity, information and consents of any Shareholder Nominees.

Section 3. Timeliness.

(a) Business and nominations proposed by the board of directors at Annual or Special Meetings of Shareholders shall be included in Heritage Bank's proxy materials sent to Shareholders. Properly demanded business or nominations of an Eligible Shareholder compliant with the Bank's Charter and bylaws shall be included in Bank-prepared and mailed proxy materials.

(b) For a Shareholder Proposal to be properly brought before an Annual Meeting by an Eligible Shareholder, the Proponent must have delivered timely notice thereof in writing to Heritage Bank's board of directors or its corporate secretary. To be timely, unless otherwise provided pursuant to applicable law, an Eligible Shareholder's notice must be actually received by Heritage Bank's board or secretary at the Main Office of Heritage Bank not later than April 30th of each calendar year or, if posted on the Bank's website or otherwise communicated to the Shareholders as a group in writing, not less than sixty days (60) nor more than ninety (90) days prior to the date set for such meeting in such posting or communication. Each Shareholder Proposal must comply with all applicable requirements of the Bank's Charter and these bylaws.

(c) For Demands for Special Meetings to be timely, they must not violate the protections granted to the Bank in Section 6 of this Article.

Section 4. Compliance with Bylaws. Notwithstanding anything in the bylaws to the contrary, no business shall be conducted at an Annual or Special Meeting except in accordance with the procedures set forth in these bylaws. The Presiding Officer at the meeting, in addition to making any other determinations that may be appropriate to the conduct of the meeting, shall determine whether such notice has been duly given and shall direct that proposals and nominees not be considered if such notice has not been given. The Presiding Officer of an Annual or Special Meeting shall, if the facts warrant, determine and declare to the meeting that business was not properly brought before the meeting and in accordance with the provisions of these bylaws; and if she or he should so determine, she or he shall so declare to the meeting and any such business not properly brought before the meeting shall not be transacted. As used in these bylaws, the term “business” includes any matter to be voted upon by Shareholders, including the nomination or election of Directors. Neither the Shareholders nor Heritage Bank shall transact any business sought to be presented to the Shareholders, at a meeting or by written consent, that is not presented to Heritage Bank as provided in these bylaws. Heritage Bank shall not honor proxies or consents solicited unless such proxies or consents have been approved by Heritage Bank or that were solicited pursuant to proxy materials issued by Heritage Bank in accordance with these bylaws.

Section 5. Rights of Heritage Bank. Before calling a Special Meeting based on a Demand, and before permitting any Shareholder Proposal to be submitted to the Shareholders at any other meeting of Shareholders, Heritage Bank may seek the declaratory relief it deems necessary or appropriate to determine the completeness, accuracy, and/or lawfulness of any Demand, Shareholder Proposal, or Required information.

Section 6. Heritage Bank Business; Business Rejected by Shareholders.

(a) Heritage Bank shall have no duty to call a Special Meeting for any Shareholder Proposal unrelated to the business of Heritage Bank or to consider the nomination of any Disqualified Person. In the exercise of the Board’s business judgment, a majority of the entire Board may deem an Interested Shareholder to be a Disqualified Person.

(b) If the Shareholders of Heritage Bank do not approve any one or more Shareholder Proposals, or if they do not elect Proponent Nominees, such Shareholder Proposals and/or Proponent nominees need not be considered by the Board (or submitted to the Shareholders) for a period of twelve (12) months, nor shall the Board be required to consider or submit any Shareholder Proposals, including Proponent nominees, for consideration within three (3) months after an Annual Meeting at which such proposal(s) or nominations could have been placed before the Shareholders. The purpose of these restrictions is to protect Heritage Bank from the expense (including the cost in staff time and other costs), potentially confusing, and/or vexatious

demands for Special Meetings on the same issues that have not been approved or that could have been properly presented to but not adopted by the Shareholders at a recently held Annual or Special Meeting.

ARTICLE XIII

GENERAL PROVISIONS

Section 1. Dividends. Dividends upon the capital stock of Heritage Bank, subject to the provisions of the Charter, if any, and the Tennessee Banking Act, may be declared by the board of directors at any regular or Special Meeting, in accordance with applicable law. Dividends may be paid in cash, in property, or in shares of the capital stock, subject to the provisions of the Charter. Before payment of any dividend, there may be set aside out of any funds of Heritage Bank available for dividends such sum or sums as the Directors from time to time, in their absolute discretion, think proper as a reserve or reserves to meet contingencies, or for equalizing dividends, or for repairing or maintaining any property of Heritage Bank, or any other purpose and the Directors may modify or abolish any such reserve in the manner in which it was created.

Section 2. Fixing a Record Date for Other Purposes. In order that Heritage Bank may determine the Shareholders entitled to receive payment of any dividend or other distribution or allotment or any rights or the Shareholders entitled to exercise any rights in respect of any change, conversion or exchange of stock, or for the purposes of any other lawful action, the board of directors may fix a record date, which record date shall not precede the date upon which the resolution fixing the record date is adopted, and which record date shall be not more than sixty days prior to such action. If no record date is fixed, the record date for determining Shareholders for any such purpose shall be at the close of business on the day on which the board of directors adopts the resolution relating thereto.

Section 3. Checks, Drafts or Orders. All checks, drafts, or other orders for the payment of money by or to Heritage Bank and all notes and other evidences of indebtedness issued in the name of Heritage Bank shall be signed by such officer or officers, agent or agents of Heritage Bank, and in such manner, as shall be determined by resolution of the board of directors or a duly authorized committee thereof.

Section 4. Contracts. In addition to the powers otherwise granted to officers pursuant to Article IV hereof, the board of directors may authorize any officer or officers, or any agent or agents, of Heritage Bank to enter into any contract or to execute and deliver any instrument in the name of and on behalf of Heritage Bank, and such authority may be general or confined to specific instances.

Section 5. Loans. Heritage Bank may lend money to, or guarantee any obligation of, or otherwise assist any officer or other employee of Heritage Bank or of its subsidiaries,

including any officer or employee who is a Director of Heritage Bank or its subsidiaries, whenever, in the judgment of the Directors, or the duly authorized committee of the Board, such loan, guaranty or assistance shall be made in accordance with law and as required by the Board (inclusive of its loan policies). The loan, guaranty or other assistance may be with or without interest, and may be unsecured, or secured in such manner as the board of directors (or its committee) shall approve, including, without limitation, a pledge of shares of stock of Heritage Bank. Nothing in this section contained shall be deemed to deny, limit or restrict the powers of guaranty or warranty of Heritage Bank at common law or under any statute. It shall be proper for the President or the board of directors to approve loans to employees for the purpose of assisting such Persons in exercising options granted to them by the board of directors or otherwise properly granted to them.

Section 6. Proxies in Respect to Stock or Other Securities of Other Entities. Unless otherwise provided by resolution adopted by the Board, the board of directors as a whole, the Board Chair, the Chief Executive Officer, the President, or any Executive Vice President may from time to time appoint an attorney or attorneys or agent or agents of Heritage Bank to exercise in the name and on behalf of Heritage Bank the powers and rights which Heritage Bank may have as the holder of stock or other securities in such corporation or other entity, including any other Heritage Bank or other financial institution, to vote or consent in respect to such stock or other securities; the Board Chair, the Chief Executive Officer, the President, or any Executive Vice President may instruct the Person or Persons so appointed as to the manner of exercising such powers and rights; and the Board Chair, the Chief Executive Officer, the President, or any Executive Vice President may execute or cause to be executed in the name and on behalf of Heritage Bank and under its corporate seal, or otherwise, all such written proxies, powers of attorney or other instruments as she or he may deem necessary or proper in order that Heritage Bank may exercise its powers and rights.

Section 7. Fiscal Year. The fiscal year of Heritage Bank shall be fixed by resolution of the board of directors. Unless otherwise set by the board of directors in accordance with law, it shall be the calendar year.

Section 8. Corporate Seal. Heritage Bank need not have a seal. If the Board or the Shareholders elect to have a seal, then any seal to be used by Heritage Bank shall be in the form of a circle and shall have inscribed thereon the name of Heritage Bank and the words “Corporate Seal, Tennessee” or words to like effect. The seal may be used by causing it or a facsimile thereof to be impressed or affixed or reproduced or otherwise replicated.

Section 9. Inspection of Books and Records. Any Shareholder of record, in person or by attorney or other agent, shall, upon written demand or request stating the purpose thereof, have the right during Heritage Bank’s usual hours for business Monday through Friday (holidays excluded) to inspect for any good faith proper purpose Heritage Bank’s books and records (other than its list of Shareholders and related information, the availability of which list is subject to the terms of the Charter), and to make copies or extracts therefrom. A proper purpose shall mean any

purpose reasonably related to such Person's interest as a Shareholder. In every instance where an attorney or other agent shall be the Person who seeks the right to inspection, the demand shall be accompanied by a power of attorney or such other writing satisfactory to Heritage Bank or its counsel which authorizes the attorney or other agent to so act on behalf of the Shareholder. The demand or request shall be made pursuant to a form provided by Heritage Bank from time to time and shall be delivered or sent to Heritage Bank at its registered office in the State of Tennessee or at its principal executive offices. Heritage Bank shall have a reasonable amount of time, not less than thirty (30) days, to respond to any such request. In the event of a good faith doubt about the validity of any such request, the Board is authorized to rely upon the advice of counsel and/or to bring a declaratory action before any court of competent jurisdiction to determine the validity of such demand or request, including the priority of the purpose(s) stated by the Shareholder. Heritage Bank may post the form for inspection on its website and shall send or provide a copy thereof to any Shareholder upon written request. The Bank shall have the right to request a confidentiality agreement from any Shareholder that such Shareholder will use the Bank's records that such Person actually receives in strict accordance with the good faith, proper purpose stated by the Shareholder to obtain such records, not to disclose them, and not to use them directly or indirectly for purposes unrelated to the business of the Bank.

Section 10. Shareholders List. Except as otherwise required by law or the Charter, the list of Heritage Bank's Shareholders shall be deemed a confidential record subject to production only as specified in the Charter and in the Tennessee Financial Records Privacy Act, Tenn. Code Ann. §§ 47-10-101, *et seq.* In its discretion, or pursuant to an order of a Court of record, the Board may authorize an executive officer of Heritage Bank to provide a Shareholder list to a Shareholder for a good faith proper purpose conditioned on the execution of a confidentiality agreement and an affidavit of good faith and proper Purpose in a form approved by the Board with such modifications as the Chief Executive Officer or the President shall approve. The number of shares held by any Shareholder of Heritage Bank shall not be disclosed because the Board deems such information to be private and any disclosure to be an invasion of privacy of each and every Shareholder.

Section 11. Forum Selection, Foreign Forum Enforcement Action and Related Matters.

(a) Unless Heritage Bank expressly consents in writing to the selection of an alternative forum, the sole and exclusive forum for (1) any derivative action or proceeding brought on behalf of Heritage Bank, (2) any action asserting a claim of breach of a fiduciary duty owed by any Director, officer or other employee of Heritage Bank to Heritage Bank or Heritage Bank's Shareholders, (3) any action asserting a claim arising pursuant to any provision of the Tennessee Business Corporation Act, or (4) any action asserting a claim governed by the internal affairs doctrine (each a "Claim") shall be a state court located in Maury County, Tennessee or, if federal jurisdiction is asserted and exists separate and apart from this bylaw provision, any federal district court located in the Middle District of Tennessee, in all cases subject to such court's having personal jurisdiction over the indispensable parties (or other parties needed for a

just adjudication) named as defendants. Any Person or entity owning, purchasing or otherwise acquiring any interest in shares of capital stock of Heritage Bank shall be deemed to have notice of and consented to the provisions of this bylaw.

(b) If any Claim is made that is within the scope of subparagraph (a) above is filed in a court other than a court located as specified in the preceding paragraph (a “Foreign Action”) in the name of any Shareholder, such Shareholder shall be deemed to have consented (1) to the dismissal or transfer of such claim to a court permitted by subparagraph (a) above, (2) to the personal jurisdiction of the state and federal courts located as specified in the preceding subparagraph (a) in connection with any action brought in any such court to enforce subparagraph (a) above (each a “Foreign Forum Enforcement Action”), and (3) having service of process made upon such Shareholder in any such Foreign Forum Enforcement Action by service upon such Shareholder’s counsel in the Foreign Action as agent for such Shareholder.

(c) In the event that (1) any current or prior holder(s) of any one or more shares of or interests in Heritage Bank’s securities or anyone on such Person(s)’s behalf (“Claiming Party”) initiates or asserts any claim or counterclaim involving or relating to a Claim described in subparagraph (a) of this bylaw, or joins, offers substantial assistance to or has a direct financial interest in any Claim against Heritage Bank and/or any present or former any Shareholder(s), present or former officer(s), and/or present or former Director(s) of Heritage Bank (each a “Heritage Bank Party”), including any Claim purportedly filed on behalf of Heritage Bank or any other Heritage Bank Party, and (2) the Claiming Party (or the third party that received substantial assistance from or who provided substantial assistance to the Claiming Party or in whose Claim the Claiming Party had a direct financial interest) does not obtain a judgment on the merits that substantially achieves, in substance and amount, the full remedy sought, then each Claiming Party shall be obligated jointly and severally to reimburse Heritage Bank and each other Heritage Bank Party for all fees, costs and expenses of every kind and description (including, but not limited to, all reasonable attorneys’ fees and other litigation expenses) (collectively, “Litigation Costs”) that Heritage Bank Parties individually and collectively may incur in connection with such Claim.

(d) Heritage Bank and each Shareholder consents to a trial by a court sitting without a jury in any action described in subparagraphs (a) through (c) of this bylaw.

Section 12. Committee Counsel. Any special litigation committee, merger and acquisition (or comparable) committee, and any other committee authorized by the Board shall have the right to independent counsel and the attorney-client privilege shall exist between the said committee and such counsel. Unless otherwise agreed by the majority vote of the committee, no information shall be provided to the Board or any other Person that would or could reasonably be expected to compromise or waive in any manner such attorney-client privilege.

Section 13. Beneficial Ownership Defined, Etc. As used in these bylaws, shares “beneficially owned” or words to that effect means all shares as to which such Person, together with such Person’s affiliates and associates, may be deemed to beneficially own pursuant to, as well as all shares as to which such Person, together with such Person’s affiliates and associates, has the right to become the beneficial owner pursuant to any agreement or understanding, or upon the exercise of warrants, options or rights to convert or exchange (whether such rights are exercisable immediately or only after the passage of time or the occurrence of conditions). As used herein, an “affiliate” is a Person controlling, controlled by, or under common control of another Person. As used herein, an “associate” means any Person related by blood, marriage, adoption, or business.

Section 14. Interested Shareholders. No vote of the shares of any Interested Shareholder shall be counted in any vote by Shareholders or with respect to any Demand or Shareholder Proposal. As used herein, an “Interested Shareholder” is any Person or group of Persons who or which was required to, but did not, obtain approval of his, her or its ownership of any shares of, or the forming of any voting trust related to shares of, the Bank until such time as such Person has obtained approval by the Federal Deposit Insurance Corporation or the Board of Governors of the Federal Reserve System and/or the Tennessee Department of Financial Institutions of such Person’s ownership.

Section 15. Bank Representative. A “Bank Representative” is any officer, director, employee, representative, attorney, accountant, consultant, or any comparable Person an any Person who has served in that capacity within the preceding twenty-four (24) months before a purported Demand is received by the Board.

Section 16. Section Headings. Section headings in these bylaws are for convenience of reference only and shall not be given any substantive effect in limiting or otherwise construing any provision herein.

Section 17. Broad Scope. It is intended that the Board shall have the broadest possible scope in adopting, modifying, amending and eliminating provisions of these bylaws.

Section 18. Inconsistent Provisions; Savings Clause. In the event that any provision of these bylaws is or becomes inconsistent with any provision of the Charter, the Tennessee Banking Act, the Tennessee Business Corporation Act of the State of Tennessee or any other applicable law, the provision of these bylaws shall not be given any effect to the extent of such inconsistency but shall otherwise be given full force and effect.

Section 19. References to Statutes. References to statutes contained in these bylaws shall be deemed to be those in effect at the date of the most recent amendment hereof. Reference to the “Tennessee Banking Act” means Tenn. Code Ann. § 45-1-101, *et seq.*, and Tenn. Code Ann. § 45-2-101 *et seq.* Reference to the “Tennessee Business Corporation Act” means Tenn. Code Ann. § 48-11-101, *et seq.*

ARTICLE XIV

AMENDMENTS

Except as otherwise provided in these bylaws, or as may be provided in the Charter, these bylaws may be amended, altered, or repealed and new bylaws adopted at any meeting of the board of directors by the affirmative vote of the entire board of directors if specified in the Charter or, if no specification is made as to a particular subject matter, then by the affirmative vote of the majority of the total number of Directors then in office. The fact that the power to adopt, amend, alter, or repeal the bylaws has been conferred upon the board of directors shall not divest the Shareholders of such powers as may be set forth in the Charter or by applicable Tennessee law. These bylaws are deemed to be amended to conform to applicable law.

Adopted: August 5, 2019.

Historical Notes:

These Bylaws were amended (or amended and restated) previously on:

The Bylaws of Heritage Bank & Trust were amended by the Shareholders on December 5, 2006, at a Special Meeting held for that purpose.

The Bylaws of Heritage Bank & Trust were amended and restated by the board of directors on April 7, 2010, at a Special Meeting of the board of directors held for that purpose.

The Bylaws of Heritage Bank & Trust were amended and restated by the board of directors on March 15, 2012, at a Special Meeting of the board of directors held for that purpose.

The Bylaws of Heritage Bank & Trust were amended and restated by the board of directors on April 7, 2016.

The Bylaws of Heritage Bank & Trust were amended and restated by the board of directors on December 13, 2018.