

Bancorp of New Jersey, Inc.

Audit Committee Charter

The Audit Committee (“Committee”) is a committee of the Board of Directors (the “Board”) of Bancorp of New Jersey, Inc. (the “Company”). This charter governs the operations of the Committee. The Committee shall review and reassess its charter at least annually and recommend any proposed changes to the Board. Any changes shall become effective upon approval of the Board.

The Committee shall meet at least quarterly and at such other times as it deems necessary to fulfill its responsibilities. A majority of the total number of members of the Committee shall constitute a quorum for the transaction of business. The approval of an act by a majority of the members present at a meeting at which a quorum is present shall constitute the approval of an act by the Committee. The Committee may also act by unanimous written consent without a meeting.

MEMBERSHIP

The Committee shall consist of at least three directors, each of whom shall be “independent” as defined in the listing standards for audit committee members applicable to the Company or, if the Company is not a listed issuer, as defined by the national securities exchange or inter-dealer quotation system chosen by the Board for disclosure purposes in accordance with the regulations of the Securities and Exchange Commission (“SEC”). Should any member of the Committee cease to satisfy the independence requirement set forth in this paragraph, or should any member cease to be a member of the Board, such member shall immediately resign his or her membership on the Committee without any request, notice or other action by the Board or any other person or party.

Each member of the Committee must be able to read and understand fundamental financial statements, including a balance sheet, income statement, and cash flow statement, and must be otherwise financially literate. At least one member of the Committee must have past employment experience in finance or accounting, requisite professional certification in accounting, or any other comparable experience or background which results in such individual’s financial sophistication, which may include being or having been a chief executive officer, chief financial officer or other senior officer with financial oversight responsibilities. Such member of the Committee must have an understanding of generally accepted accounting principles, the ability to assess such principles in connection with the accounting for estimates, accruals and reserves, experience preparing, auditing, analyzing or evaluating financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by the Company’s financial statements, or experience actively supervising one or more persons engaged in such activities, an understanding of internal control over financial reporting, and an understanding of audit committee functions.

The members of the Committee shall be designated by the Board on the recommendation of its Nominating and Governance Committee and shall serve until their successors have been designated, or until their earlier resignation or removal from the Committee or the Board. Unless a Chair is designated by the Board, the members of the Committee may designate a Chair by majority vote of the full Committee membership. The Board may remove a member of the Committee at any time with or without cause.

PURPOSE

The primary purposes of the Committee are to: oversee management's preparation of the Company's financial statements and management's conduct of the accounting and financial reporting processes; oversee management's maintenance of internal controls and procedures for financial reporting; assist the Board in its oversight of the Company's compliance with legal and regulatory requirements, including without limitation, those requirements relating to financial controls and financial reporting; oversee the independent auditors' qualifications and independence; oversee the performance of the independent auditors, including the annual independent audit of the Company's financial statements; prepare the report of the Committee required by the rules of the SEC to be included in the Company's proxy statement; and discharge such duties and responsibilities as may be required of the Committee by the provisions of applicable laws, rules, regulations or listing standards (the "Applicable Rules"). In carrying out its purposes, the Committee shall promote free and open communication among the Committee, independent auditors, and management of the Company.

DUTIES AND RESPONSIBILITIES

The primary duties and responsibilities of the Committee include:

- Relationship with Independent Auditors - The independent auditors shall report directly and are ultimately accountable to the Committee in its capacity as a committee of the Board. The Committee shall have sole authority and direct responsibility to appoint, compensate, retain, oversee the work of, evaluate and, where appropriate, replace the independent auditors. The Committee shall discuss with the auditors their independence from management and the Company and the matters included in the written disclosures required by the Independence Standards Board.
- Annually, the Committee shall review and recommend the selection of the Company's independent auditors.
- The Committee shall pre-approve all audit and permitted non-audit services provided by the independent auditors and the fees for such services.
- The Committee periodically shall meet separately with management and with the Company's independent auditors and shall have direct responsibility for resolution of disagreements between management and the independent auditors regarding financial reporting.

- Annually, the Committee shall obtain from the independent auditors a formal written statement delineating all relationships between the independent auditors and the Company consistent with Independence Standards Board Standard 1, discuss with the independent auditors any such disclosed relationships or services and their impact on the independent auditors' objectivity or independence, and take or recommend that the Board take appropriate action regarding the independence of the independent auditors.
- Periodic Reviews - Prior to the filing of the Company's Quarterly Reports on Form 10-Q, the Committee shall review with management and the independent auditors the interim financial statements and other information to be included in the Form 10-Q, including the Company's disclosures under "Management's Discussion and Analysis of Financial Condition and Results of Operations" ("MD&A"). Also, the Committee shall discuss the results of the quarterly review and any other matters required to be communicated to the Committee by the independent auditors under generally accepted auditing standards.
- Annual Reviews - The Committee shall review with management and the independent auditors the financial statements and other financial information, including the Company's disclosure under MD&A, to be included in the Company's Annual Report on Form 10-K (or the annual report to shareholders if distributed prior to the filing of the Form 10-K). Also, the Committee shall discuss the results of the annual audit and any other matters required to be communicated to the Committee by the independent auditors under generally accepted auditing standards. Based on the review and discussions described above, the Committee shall recommend to the Board of Directors whether the financial statements should be included in the Annual Report on Form 10-K. The Committee shall oversee the preparation of the Audit Committee report to be included in the Company's proxy statements when and as required by the Applicable Rules.
- Review the Company's periodic disclosures regarding the Committee and its activities.
- The Committee shall oversee risks and exposures associated with financial matters, particularly financial reporting, taxes, accounting, disclosure, internal control over financial reporting, financial policies, investment guidelines, and credit and liquidity matters.
- The Committee shall establish and maintain procedures for (i) receiving, retaining and addressing complaints regarding the Company's accounting, internal accounting controls or auditing matters and (ii) the confidential, anonymous submission by employees of concerns regarding questionable accounting or auditing matters, in accordance with the Applicable Rules.

- The Committee will have responsibility to conduct an appropriate review and oversight of all related party transactions, as defined in Applicable Rules, for potential conflict of interest situations on an ongoing basis.
- The Committee shall prepare an annual performance self-evaluation of the Committee and report the results of such evaluation to the Board.

It is not the duty of the Committee to plan or conduct audits or to determine that the Company's financial statements are complete and accurate and are in accordance with generally accepted accounting principles. Management is responsible for preparing the Company's financial statements and for maintaining internal controls and procedures for financial reporting, and the independent auditors are responsible for auditing those financial statements.

The specificity of the above duties and responsibilities is set forth as a guide with the understanding that the Committee may diverge from this guide as appropriate, given the circumstances, provided that the Committee fulfills its duties and responsibilities under Applicable Rules, and such other duties and responsibilities as may be specifically designated in this charter, in the bylaws or by the Board. The Committee, in its discretion, may refer any matter that it has the authority to approve to the Board or other committee designated by the Board, together with its report and recommendation, unless such matter is required to be approved by an audit committee comprised solely of independent directors under Applicable Rules.

MINUTES AND REPORTS

The Committee shall keep minutes and, as appropriate, other records of Committee meetings and activities. The Committee shall report to the Board at the first Board meeting following each Committee meeting and make such other reports as the Board may from time to time request. The Committee shall make recommendations to the Board whenever appropriate.

AUTHORITY

In discharging its oversight role, the Committee is empowered to investigate any matter brought to its attention with full access to all books, records, facilities, and personnel of the Company. In performing his or her duties and responsibilities, each member of the Committee is entitled to rely in good faith upon the records of the Company and upon information, opinions, reports or statements presented by any of the Company's officers or employees, or other committees of the Board, or by any other person as to matters the member reasonably believes are within such other person's professional or expert competence and who has been selected with reasonable care by or on behalf of the Company.

The Committee will have the resources and authority necessary to discharge its duties and responsibilities. The Committee shall have the authority to engage such outside advisers, including outside auditors, attorneys and consultants, as it deems necessary or appropriate to carry out its duties. The Company shall pay compensation to any registered public accounting firm engaged for the purpose of preparing or issuing an audit report or performing other audit, review or attest services for the Company, compensation to any advisers employed by the Committee, and ordinary administrative expenses of the Committee that are necessary or

appropriate in carrying out its duties, in each case, as determined to be appropriate by the Committee.

The Chair of the Committee may represent the entire Committee with respect to functions of the Committee undertaken between meetings and any of the Committee's functions may be delegated to a subcommittee comprised of one or more members of the Committee. If any member or subcommittee, pursuant to delegated authority of the Committee, grants any pre-approval for the performance of non-audit services, such member or subcommittee must report the pre-approval to the full Committee at its next scheduled meeting.