

**FIRST MIDWEST BANCORP, INC.**  
**RELATED PERSON TRANSACTION POLICIES AND PROCEDURES**  
**(Effective Date: November 20, 2019)**

**Policy**

It is the policy of the Board of Directors (the “Board”) of First Midwest Bancorp, Inc. (the “Company”) that any Interested Transaction (as defined below), including any material amendment or modification of an Interested Transaction, with a Related Person, as those terms are defined in this policy, shall be subject to approval or ratification in accordance with the procedures set forth below.

**Definitions**

“Related Person” includes any person who currently is or, at any time since the beginning of the Company’s last fiscal year, was:

- A director, director nominee or executive officer of the Company; or
- The beneficial owner of more than 5% of any class of the Company’s voting securities; or
- A child, stepchild, parent, step-parent, spouse, sibling, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law or sister-in-law, or any person (other than a tenant or employee) sharing the household of such director, director nominee, executive officer or more than 5% beneficial owner; or
- Any firm, corporation or other entity in which any of the foregoing persons is employed or is a partner or principal or in a similar position and in which such firm, corporation or entity has more than a 5% beneficial ownership interest of any class of the Company’s voting securities.

“Interested Transaction” means any transaction (or series of transactions) involving the Company and any Related Person.

**Procedures**

The Nominating and Corporate Governance Committee (the “Committee”) shall review the material facts of all Interested Transactions that require the Committee’s approval or ratification and either approve/ratify or disapprove of the entry into the Interested Transaction, subject to the exceptions described below.

Prior to entering into an Interested Transaction, the Related Party (or, if the Related Party is not a director, executive officer or more than 5% beneficial owner of the Company, the related director, executive officer or more than 5% beneficial owner) shall notify the Corporate Secretary of the facts and circumstances of the proposed transaction. The Corporate Secretary thereafter will undertake an evaluation of the Interested Transaction. If that evaluation indicates that Committee approval or ratification is required under this policy, the Corporate Secretary will report the Interested Transaction, together with a summary of the material facts, to the Committee for

consideration at the next regularly scheduled Committee meeting. If advance Committee approval of an Interested Transaction is not feasible or otherwise not obtained, then the Interested Transaction shall be considered and, if the Committee determines it to be appropriate, ratified at the Committee's next regularly scheduled meeting.

In determining whether to approve or ratify an Interested Transaction, the Committee will take into account, among other factors it deems appropriate, whether the Interested Transaction is on terms no less favorable than terms generally available to an unaffiliated third party under the same or similar circumstances. In addition, in connection with any approval or ratification of an Interested Transaction involving an outside director or nominee for director, the Committee should consider whether such transaction would compromise such director's status as: (1) an independent director under The Nasdaq Stock Market's independence standards, (2) a "non-employee director" under Rule 16b-3 under the Securities Exchange Act of 1934 (the "Exchange Act"), if such non-employee director serves on the Compensation Committee of the Board, or (3) an independent director under Rule 10A-3 of the Exchange Act, if such non-employee director serves on the Audit Committee of the Board.

The Committee has reviewed the Interested Transactions described below in "Standing Pre-Approval for Certain Interested Transactions" and determined that each of the Interested Transactions described therein shall be deemed to be pre-approved or ratified (as applicable) by the Committee under the terms of this policy. In addition, the Board of Directors has delegated to the Chair of the Committee the authority to pre-approve or ratify (as applicable) any Interested Transaction with a Related Person in which the aggregate amount involved is expected to be less than \$1,000,000. In connection with each regularly scheduled meeting of the Committee, a summary of each new Interested Transaction deemed pre-approved under "Standing Pre-Approval for Certain Interested Transactions" below and each new Interested Transaction pre-approved by the Chair in accordance with this paragraph shall be provided to the Committee.

No director shall participate in any discussion or approval of an Interested Transaction for which he or she is a Related Person, except that the director shall provide all material information concerning the Interested Transaction to the Committee.

Any director, officer or employee of the Company who becomes aware of a potential Interested Transaction shall notify the Corporate Secretary of the facts and circumstances of the proposed transaction.

If an Interested Transaction will be ongoing, the Committee may establish guidelines for the Company's management to follow in its ongoing dealings with the Related Person. Thereafter, the Committee, on at least an annual basis, shall review and assess ongoing relationships with the Related Person to see that they are in compliance with the Committee's guidelines and that the Interested Transaction remains appropriate.

### **Standing Pre-Approval for Certain Interested Transactions**

The Committee has reviewed the types of Interested Transactions described below and determined that each of these Interested Transactions shall be deemed to be pre-approved by the Committee.

- *Employment of Executive Officers.* Any employment by the Company of an executive officer of the Company if:

- The related compensation is required to be reported in the Company’s proxy statement under Item 402 of the Securities and Exchange Commission’s (the “SEC’s”) compensation disclosure requirements (generally applicable to “named executive officers”) and such information is so reported; or
  - The executive officer is not an immediate family member of another executive officer or director of the Company, the related compensation would be reported in the Company’s proxy statement under Item 402 of the SEC’s compensation disclosure requirements if the executive officer was a “named executive officer” and the Company’s Compensation Committee approved (or recommended that the Board approve) such compensation.
- *Director Compensation.* Any compensation paid to a director if the compensation is required to be reported in the Company’s proxy statement under Item 402 of the SEC’s compensation disclosure requirements.
  - *Transactions where all Shareholders Receive Proportional Benefits.* Any transaction where the Related Person’s interest arises solely from the ownership of the Company’s common stock and all holders of the Company’s common stock received the same benefit on a *pro rata* basis (e.g., dividends).
  - *Transactions Involving Competitive Bids.* Any transaction involving a Related Person where the rates or charges involved are determined by competitive bids.
  - *Regulated Transactions.* Any transaction with a Related Person involving the rendering of services as a common or contract carrier, or a public utility, at rates or charges fixed in conformity with law or governmental authority.
  - *Banking-Related Services.* Any transaction with a Related Person involving any products or services provided by First Midwest Bank (including, but not limited to, loans, leases, deposits and wealth management or trust products or services). First Midwest Bank, may, directly or indirectly, make loans and have transactions with Related Persons, provided such loans and transactions (i) are made in the ordinary course of business on substantially the same terms, including interest rates and collateral, as those prevailing at the time for comparable transactions with other persons not related to First Midwest Bank, (ii) do not involve more than the normal risk of collectability or present other unfavorable features, and (iii) are otherwise in compliance with the Federal Reserve’s Regulation O.

## Questions

If you have any questions concerning this policy, you should direct them to the Company’s Corporate Secretary at (708) 831-7260 or a member of the Corporate Secretary’s staff.

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