

COMMUNITY HERITAGE FINANCIAL, INC.
24 West Main Street
Middletown, Maryland 21769

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS
TO BE HELD OCTOBER 16, 2020 AT 9:00 A.M.

The Annual Meeting of Stockholders of Community Heritage Financial, Inc. will be held on October 16, 2020, at 9:00 a.m., local time, at the Beaver Creek Country Club, located at 9535 Mapleville Road, Hagerstown, Maryland, for the purpose of considering and voting upon the following:

1. The election of three directors to serve in Class Two for a term of three years, ending at the Annual Meeting of Stockholders to be held in 2023, and until their successors are duly elected and qualified.
2. Ratification of the appointment of Yount, Hyde & Barbour, P.C. as independent public accountants to audit the financial statements of Community Heritage Financial, Inc. (the "Company") for the fiscal year ending December 31, 2020.
3. Approval of an Amendment and Restatement of the Company's Articles of Incorporation that will effect the following proposed amendments to the Articles of Incorporation:
 - A. To increase the number of authorized shares of the Company's capital stock from 5,000,000 shares to 11,000,000 shares, designated as 10,000,000 shares of common stock and 1,000,000 shares of preferred stock.
 - B. To permit the Company's Board of Directors to make changes in the number of authorized shares of the Company's capital stock without additional approval from stockholders.
 - C. To decrease the vote required for mergers, consolidations, asset sales, exchange offers, dissolution, or liquidation to holders of a majority of the shares of the capital stock entitled to vote thereon when such transactions are approved by two-thirds of the Company's directors.
4. To approve the Community Heritage Financial, Inc. 2020 Equity Incentive Plan.
5. Any other matter that may properly come before the meeting or any adjournment or postponement thereof.

Only stockholders of record at the close of business on August 21, 2020, will be entitled to notice of and to vote at the meeting or any adjournment or postponement thereof.

Accompanying this notice is a proxy statement and proxy form. **Whether or not you plan to attend the meeting, we urge you to submit your proxy as soon as possible so that your shares can be voted at the meeting in accordance with your instructions. You may vote by signing, dating, and mailing the proxy card in the enclosed postage paid envelope. You may also vote by attending the meeting and voting in person, although we suggest that you send in your proxy form anyway so that your shares will be voted even if your plans to attend the meeting change.** You may revoke your proxy at any time prior to or at the meeting by written notice to the Company, by executing a proxy bearing a later date, or by attending the meeting and voting in person.

You are cordially invited to attend the meeting in person.

By Order of the Board of Directors,



Dawn Woods, Secretary

Middletown, Maryland
August 25, 2020

**COMMUNITY HERITAGE FINANCIAL, INC.
24 West Main Street
Middletown, Maryland 21769**

PROXY STATEMENT

**Annual Meeting of Stockholders to be held on
October 16, 2020 at 9:00 A.M.**

INTRODUCTION

The enclosed Notice of Annual Meeting, this proxy statement, and the enclosed proxy form are being sent to stockholders of Community Heritage Financial, Inc. (the "Company") on or about August 27, 2020, in connection with the solicitation of proxies by the Company's Board of Directors to be used at the annual meeting of stockholders described in the accompanying notice (the "Annual Meeting") and at any adjournments or postponements thereof. The purposes of the Annual Meeting are set forth in the accompanying notice of annual meeting of stockholders.

If you are a stockholder of record (i.e. you own your shares directly in your name), you may attend the Annual Meeting and vote in person as long as you present valid proof of identification at the Annual Meeting. If you hold your shares in the Company beneficially but not of record (i.e. your shares are held in the name of a broker or other nominee for your benefit), you must present proof of beneficial ownership in order to attend the Annual Meeting, which you can generally obtain from the record holder, and you must obtain a proxy from the record holder in order to vote your shares if you wish to cast your vote in person at the Annual Meeting. For further information, please contact AST, our transfer agent, at 1-800-937-5449 during regular business hours.

SOLICITATION AND REVOCATION OF PROXIES

The enclosed proxy is solicited by the Company's Board of Directors. The Board of Directors has selected J. Thomas Routzahn, Jr. and John J. Rudy, or either of them, to act as proxies at the Annual Meeting with full power of substitution.

You may revoke your proxy at any time before the vote is taken at the Annual Meeting by (i) sending written notice to Dawn Woods, Corporate Secretary of Community Heritage Financial, Inc., at 24 West Main Street, P.O. Box 75, Middletown, Maryland 21769, (ii) executing and sending in a later-dated proxy before your shares of common stock have been voted at the Annual Meeting, or (iii) attending the Annual Meeting and voting in person. If you wish to attend the Annual Meeting and vote in person and your shares are held in the name of a broker, trust, bank, or other nominee, you must bring with you a proxy from such broker, trustee, bank, or other nominee authorizing you to vote the shares at the Annual Meeting. Attendance at the Annual Meeting will not in itself constitute revocation of your proxy.

In addition to solicitation by mail, officers and directors of the Company may contact or meet with stockholders to solicit proxies.

Whether or not you plan to attend the Annual Meeting, you may submit a proxy to vote your shares. Please mark your vote, sign your name exactly as it appears on your proxy card, date your proxy card, and return it in the envelope provided.

OUTSTANDING SHARES AND VOTING RIGHTS

Record Date: Stockholders Entitled to Vote

Stockholders of record at the close of business on August 21, 2020 (the "Record Date"), which our Board of Directors has set as the record date, are entitled to notice of and to vote at the Annual Meeting. As of the close of

business on that date, there were 2,251,320 shares of common stock, \$0.01 par value per share, outstanding and entitled to vote, each of which is entitled to one vote.

Quorum; Vote Required

The presence, in person or by proxy, of stockholders entitled to cast a majority of all the votes entitled to be cast at the Annual Meeting, or 1,125,661 shares of the Company's common stock, will be necessary to constitute a quorum for the transaction of business at the Annual Meeting. Abstentions and broker non-votes (as long as there is one routine matter to be voted on at the Annual Meeting, as discussed further below) are counted for purposes of determining the presence or absence of a quorum for the transaction of business at the Annual Meeting.

Assuming a quorum is present, the affirmative vote of a plurality of the shares cast in person or represented by proxy at the Annual Meeting is required to elect the director nominees. In other words, the nominees to receive the greatest number of votes cast, up to the number of nominees up for election, will be elected. As a result, withheld votes, broker non-votes, and failures to vote will not affect the outcome of the election of directors.

Assuming a quorum is present, the affirmative vote of at least a majority of all votes cast at the Annual Meeting is sufficient for the ratification of the appointment of Yount, Hyde & Barbour, P.C. Abstentions are not included in calculating votes cast with respect to this proposal and will have no effect on the outcome of this proposal. Similarly, assuming a quorum is present, the failure to vote will have no impact on the outcome of the ratification of the independent public accountants.

The affirmative vote of holders of two-thirds of all of the votes entitled to be cast on the matter, or 1,500,955 shares, is required for the approval of the Articles of Amendment and Restatement of our Articles of Incorporation and the amendments to the Articles of Incorporation to (i) increase the authorized capital stock of the Company from 5,000,000 shares to 11,000,000 shares, designated as 10,000,000 shares of common stock and 1,000,000 shares of preferred stock, and (ii) permit our Board of Directors to make changes in the number of shares of stock that the Company is authorized to issue. The affirmative vote of holders of 80% of all of the votes entitled to be cast on the matter, or 1,801,056 shares, is required for the approval of the amendment to the Company's Articles of Incorporation to lower the vote required to approve certain transactions, including mergers, consolidations, and the sale of substantially all of the Company's assets, that are approved by two-thirds of the Board of Directors to holders of a majority of the shares of capital stock entitled to vote on such matters. As a result, broker non-votes, abstentions, and failures to vote will have the same effect as a vote *against* approval of the Articles of Amendment and Restatement and the proposed amendments to our Articles of Incorporation to be effected thereby.

Assuming a quorum is present, the affirmative vote of at least a majority of all votes cast at the Annual Meeting is required for the approval of the Community Heritage Financial, Inc. 2020 Equity Incentive Plan. Abstentions and broker non-votes are not included in calculating votes cast with respect to this proposal and will have no effect on the outcome of this proposal. Similarly, assuming a quorum is present, the failure to vote will have no impact on the outcome of the vote to approve the equity incentive plan.

Shares Held in Street Name; Broker Non-Votes

If your shares are held in the name of a bank, broker, or other similar holder of record (referred to as "in street name"), you will receive instructions from the holder of record that you must follow in order for you to specify how your shares will be voted at the Annual Meeting. In general, brokers who hold shares of record in street name have the authority to vote shares for which their customers do not provide voting instructions on certain limited routine, uncontested items. In the case of non-routine or contested items, the brokerage firm holding street name shares cannot vote the shares if it has not received voting instructions from the beneficial holder of such shares. A broker "non-vote" occurs when a proxy is received from a broker but the shares represented by such proxy are not voted on a particular matter because the broker has not received instructions from the beneficial owner or other

persons entitled to vote shares on a particular matter with respect to which the broker does not have discretionary power to vote the shares.

If your shares of common stock are held of record by a bank or other nominee (other than a broker), whether such nominee can exercise discretionary authority to vote your shares on any matter at the Annual Meeting in the absence of instructions from you will depend on your specific arrangement with your nominee record holder. In the absence of an arrangement with your record holder granting such discretionary authority, your record holder nominee will not have discretionary authority to vote your shares on any matter at the Annual Meeting in the absence of specific voting instructions from you.

Under the applicable rules of the various securities exchanges applicable to their member brokerage firms, the proposal to ratify the appointment of our independent public accountants is considered a “routine” item upon which brokerage firms may vote in their discretion on behalf of their clients if such clients have not furnished voting instructions. If your broker holder of record signs and returns a proxy card on your behalf, but does not indicate how the common stock should be voted, the common stock represented on the proxy card will be voted FOR ratification of the appointment of Yount, Hyde & Barbour, P.C. as our independent public accountants for 2020. The election of directors, the approval of proposed amendments to our Articles of Incorporation and the Articles of Amendment and Restatement, and the approval of our 2020 Equity Incentive Plan are considered “non-routine” items for which brokerage firms may not vote in their discretion on behalf of clients who do not furnish voting instructions and, thus, there may be “broker non-votes” at the Annual Meeting with respect to these proposals. **If you hold your shares in street name through a broker, you must provide voting instructions to your broker record holder in order for your shares to be voted with respect to the election of directors, the Articles of Amendment and Restatement and the proposed amendments to our Articles of Incorporation to be effected by the Articles of Amendment and Restatement, and our 2020 Equity Incentive Plan. Further, if your shares are held in street name by a bank or other nominee to whom you have not granted discretionary authority to vote your shares, your shares will not be voted on any proposal at the Annual Meeting unless you provide voting instructions to your record holder.**

Voting of Proxies

All proxies will be voted as directed by the stockholder on the proxy form. A proxy, if executed and not revoked, will be voted in the following manner (unless it contains instructions to the contrary, in which event it will be voted in accordance with such instructions), except that shares held by brokers for which voting instructions were not received by the beneficial owners will only be voted with respect to ratification of the independent public accountants:

- FOR the nominees for director named below.
- FOR ratification of the appointment of Yount, Hyde & Barbour, P.C. as independent public accountants for the fiscal year ending December 31, 2020.
- FOR approval of the Articles of Amendment and Restatement of the Company’s Articles of Incorporation and each of the amendments to the Company’s Articles of Incorporation to be effected pursuant thereto.
- FOR approval of the Community Heritage Financial, Inc. 2020 Equity Incentive Plan.

Proxies will be voted in the discretion of the holder on such other business as may properly come before the Annual Meeting or any adjournments or postponements thereof.

General

We anticipate that our directors and officers will vote their shares of common stock in favor of the nominees for election to the Board of Directors listed, for the ratification of the appointment of Yount, Hyde & Barbour, P.C., for approval of the amendments to and Articles of Amendment and Restatement of the Articles of Incorporation, and for approval of the Community Heritage Financial, Inc. 2020 Equity Incentive Plan. As of the Record Date, our executive officers and directors and their affiliates were entitled to vote or direct the voting of 260,082 shares, or 11.55% of our outstanding shares of common stock.

The Board of Directors recommends that stockholders vote “FOR” the election of each director nominee, “FOR” the ratification of the appointment of Yount, Hyde & Barbour, P.C. as independent public accountants for the fiscal year ending December 31, 2020, “FOR” approval of each of the proposed amendments to the Company’s Articles of Incorporation and the proposed Articles of Amendment and Restatement of the Articles of Incorporation, and “FOR” approval of the Community Heritage Financial, Inc. 2020 Equity Incentive Plan.

PROPOSAL 1 ELECTION OF DIRECTORS

The Company’s Board of Directors currently has nine directors, divided into three classes – Class 1, Class 2, and Class 3. The directors in each class are elected to serve for a three-year term and until their respective successors are duly elected and qualified.

The Board of Directors of the Company is recommending the election of the nominees named below as Class 2 directors for a term ending at the 2023 annual meeting of stockholders. All of the nominees are currently directors of the Company. The directors whose terms do not expire at the Annual Meeting will continue to serve as directors until the expiration of their respective terms and until their respective successors are duly elected and qualified, unless they resign prior to such time.

Nominees for election to the Board of Directors for a three-year term expiring in 2023:

Name, Age, Principal Occupation

JAMES G. PIERNE, 69, is an Assistant Professor of Business and Management at Hagerstown Community College. He has served as the Company’s Chairman of the Board since its inception in 2018 and has served as Chairman of the Board of the Company’s banking subsidiary, Middletown Valley Bank (the “Bank”), since 2016 and as a director of the Bank since 2013. He also serves as Chairman of the Board of the Company’s mortgage lending affiliate, Millennium Financial Services, Inc. Mr. Pierne has been in the banking and financial industry for over 38 years.

A. DENNIS REMSBURG, 68, is District Manager of the Catoctin & Frederick Soil Conservation Districts. He is Vice-Chairman of the Board of the Company and the Bank and has been a director of the Bank since 1992 and a director of the Company since its inception.

TODD M. SNOOK, 54, is the owner and President of Valley Storage Company and related entities. Mr. Snook has been a director of the Bank since 2013 and a director of the Company since its inception.

We do not expect that any of the nominees will become unavailable to serve, but if that should occur before the Annual Meeting, proxies that do not withhold authority to vote for the nominees listed above may be voted for another nominee, or nominees, selected by the Board of Directors.

PROPOSAL 2
RATIFICATION OF APPOINTMENT OF INDEPENDENT PUBLIC ACCOUNTANTS

Upon the recommendation of the Audit Committee, the Company's Board of Directors has selected Yount, Hyde & Barbour, P.C. as our independent public accountants to audit the Company's financial statements for the fiscal years ending December 31, 2020, 2021, and 2022. Yount, Hyde & Barbour, P.C. began auditing the Bank's financial statements in 2005 and management considers them to be well-qualified. We are asking our stockholders to ratify the appointment of Yount, Hyde & Barbour, P.C. for the fiscal year ending December 31, 2020.

If the stockholders fail to ratify this appointment, the Audit Committee will consider whether to recommend that the Board of Directors retain Yount, Hyde & Barbour, P.C., and may recommend to the Board that the Company retain that firm or engage another firm, and the Board of Directors may do so, without resubmitting the matter to our stockholders. Even if the appointment is ratified, the Audit Committee may, at its discretion, recommend that the Board of Directors, and the Board of Directors may, at its discretion, appoint different independent public accountants at any time during the year if they determine that such change would be in the best interests of the Company and its stockholders.

PROPOSAL 3
APPROVAL OF ARTICLES OF AMENDMENT AND RESTATEMENT OF COMMUNITY HERITAGE FINANCIAL, INC.'S ARTICLES OF INCORPORATION TO EFFECTUATE THE AMENDMENTS TO THE ARTICLES OF INCORPORATION PURSUANT TO PROPOSALS 3A, 3B, AND 3C

We are asking our stockholders to approve three amendments to our Articles of Incorporation, as discussed below under "Proposal 3A," "Proposal 3B," and "Proposal 3C." Each such amendment to the Articles of Incorporation, if approved, will be effected pursuant to the proposed Amendment and Restatement of the Articles of Incorporation in the form attached as Annex A to this proxy statement, which is marked to show the amendments that would be effected pursuant to Proposals 3A, 3B, and 3C and other non-substantive amendments. To the extent any one or more of the proposed amendments to the Articles of Incorporation set forth in Proposal 3A, Proposal 3B, or Proposal 3C are not approved by our stockholders, however, the revisions to be effected by any such amendment(s) will be removed from the Amended and Restated Articles of Incorporation attached as Annex A and only the approved amendments will be retained. No other substantive amendments to the Articles of Incorporation will be effected pursuant to the Articles of Amendment and Restatement. Therefore, if the proposal to approve the Articles of Amendment and Restatement is generally approved, stockholders will be deemed to have approved the Articles of Amendment and Restatement only to the extent that the amendments reflected in the following Proposal 3A, Proposal 3B, and Proposal 3C are approved and set forth in the Articles of Amendment and Restatement. If none of Proposal 3A, Proposal 3B, and Proposal 3C are approved by stockholders, we will not file the Articles of Amendment and Restatement.

Assuming approval by the stockholders, the Articles of Amendment and Restatement will become effective upon their acceptance for record by the State Department of Assessments and Taxation of Maryland ("SDAT"). Assuming approval of the Articles of Amendment and Restatement and at least one of the proposed amendments set forth in Proposals 3A, 3B, and 3C by the stockholders, we intend to file the Articles of Amendment and Restatement with the SDAT as soon as practicable after the Annual Meeting.

PROPOSAL 3A
APPROVAL OF AN AMENDMENT TO THE ARTICLES OF INCORPORATION TO INCREASE THE NUMBER OF AUTHORIZED SHARES OF THE COMPANY'S CAPITAL STOCK FROM 5,000,000 TO 11,000,000, DESIGNATED AS 10,000,000 SHARES OF COMMON STOCK AND 1,000,000 SHARES OF PREFERRED STOCK

We are asking stockholders to approve an amendment to our Articles of Incorporation, to be reflected in Articles of Amendment and Restatement of our Articles of Incorporation, as discussed above, to increase in the

Company's authorized shares of capital stock from 5,000,000 shares to 11,000,000 shares, designated as 10,000,000 shares of common stock and 1,000,000 shares of preferred stock (in other words, we are proposing to increase the authorized shares of our common stock only; the authorized number of shares of preferred stock will remain the same if this amendment is approved). The proposed amendment is set forth in Article 6(a) of the proposed Articles of Amendment and Restatement attached as Annex A hereto.

The purpose of the amendment is to ensure that the Company has sufficient authorized shares of capital stock, in particular, shares of common stock, available to permit the Company to issue common and preferred stock for a variety of proper corporate purposes, including stock dividends and capital raises, as the Board of Directors may deem advisable without having to essentially obtain the consent of our stockholders by having them approve such an amendment in connection with a specific stock issuance, which could delay or derail the Company's ability to complete potential capital-raising transactions.

Our Articles of Incorporation currently authorize the issuance of up to 5,000,000 shares of capital stock, including 4,000,000 shares of common stock, 2,251,320 of which are currently issued and outstanding. This means that, without stockholder approval of an increase in the authorized shares (or approval of the amendment to the Articles of Incorporation set forth in the discussion of Proposal 3B below), we can issue only 1,748,680 additional shares of common stock for any purpose, including for capital-raising purposes.

The rights and terms of our common stock will not be changed in any way by the proposed amendment, and the additional shares of common stock, if authorized, would have the same rights and privileges as the shares of common stock currently outstanding.

If the proposed amendment to the Articles of Incorporation is approved by our stockholders, upon its effectiveness and assuming no additional issuances prior thereto, we will have 10,000,000 shares of common stock authorized and a balance of 7,748,680 shares of common stock authorized and unissued and not reserved for any specific purpose. The Board of Directors believes that the availability of such shares will benefit the Company by providing flexibility to issue stock for a variety of proper corporate purposes as the Board of Directors may deem advisable without further action by stockholders, except as may be required by law, regulation, or rule. These purposes could include, among other things, the sale of stock for capital-raising purposes, acquisitions, mergers, or other business combinations, the use of additional shares for equity compensation grants or new equity compensation plans, the declaration of stock splits, stock dividends, or distributions, and other bona fide corporate purposes. If this amendment is not approved, the Company's growth and business strategies and its ability to raise additional capital may be limited by the lack of availability of unissued and unreserved capital stock.

The issuance of additional shares of stock under any of these circumstances could have a dilutive effect on earnings per share and on a stockholder's percentage voting power in the Company. Holders of our common stock do not have preemptive rights to subscribe for additional securities that we may issue in the future, which means that current stockholders do not have a prior right to purchase any new issue of stock in order to maintain their proportionate ownership interest.

In addition, the proposed increase in the authorized shares of common stock could, under certain circumstances, have an anti-takeover effect, for example, by diluting the stock ownership of a person seeking to effect a change in the composition of the Board of Directors or contemplating a tender offer or other transaction for the acquisition of the Company. On the other hand, we believe it could also encourage potential acquirors to negotiate directly with the Board of Directors, which we believe would provide the Board with the opportunity to seek the best value for our stockholders. On balance, we believe the benefits to the Company, including flexibility in capital raising and other transactions, outweigh any negative impact of the proposed amendment. This proposal to amend the Company's Articles of Incorporation to increase the authorized capital stock is not intended for anti-takeover purposes and is not in response to any effort by any person or group to accumulate our common stock or to obtain control of the Company, by means of a merger, tender offer, solicitation in opposition to management, or otherwise.

PROPOSAL 3B

APPROVAL OF AN AMENDMENT TO THE ARTICLES OF INCORPORATION TO PERMIT THE BOARD OF DIRECTORS TO MAKE CHANGES IN THE NUMBER OF AUTHORIZED SHARES OF CAPITAL STOCK WITHOUT ADDITIONAL APPROVAL FROM STOCKHOLDERS

We are asking stockholders to approve an amendment to our Articles of Incorporation, to be reflected in the proposed Articles of Amendment and Restatement of our Articles of Incorporation attached as Annex A hereto, to permit our Board of Directors to make changes in the number of shares of capital stock that the Company is authorized to issue, either increasing or decreasing such number from time to time, without additional approval by the stockholders. The proposed amendment is set forth in new Article 6(e) of the proposed Articles of Amendment and Restatement.

The Board of Directors believes that this amendment would permit the Company to take advantage of favorable market conditions and financing and acquisition opportunities without incurring the delay and expense of calling a special meeting of stockholders. If Proposal 3B is approved, any additional shares of our capital stock authorized by the amendment could be issued upon approval by the Board of Directors without further vote of the stockholders, other than as may be required under special circumstances by applicable law.

As described in the preceding Proposal 3A, any additional shares of common stock so authorized would have rights identical to the currently authorized common stock and would not affect the rights of holders of currently outstanding shares of common stock, except such effects as are incidental generally to an increase in the number of shares of capital stock outstanding, such as dilution of voting rights and earnings per share. As discussed in Proposal 3A above, our stockholders do not have preemptive rights with respect to additional shares of capital stock that may be issued by the Company, which means the issuance of additional shares pursuant to the Board of Director's authority under this amendment could have a dilutive effect on earnings per share and on a stockholder's percentage voting power in the Company. Further, under certain circumstances, and as discussed above in Proposal 3A, an increase in the number of shares of authorized common stock could make it more difficult or discourage an attempt to obtain control of the Company by means of a takeover proposal that the Board of Directors believes is not in the best interests of the stockholders. In addition, under our Articles of Incorporation, our Board of Directors may, without further stockholder action, authorize the issuance of shares of preferred stock in such series, and with such preferences, conversion or other rights, voting powers, restrictions, limitations as to dividends, and terms and conditions of redemption, as may be fixed by the Board of Directors, subject to any limitations of applicable law or regulation or provisions of existing preferred stock series. Accordingly, the Board of Directors may, subject to such limitations, afford holders of any new series or class of preferred stock preferences, policies, or rights, voting or otherwise, senior to the rights of holders of our common stock, which may assist management in impeding an unfriendly takeover or attempted change in control. As with Proposal 3A above, however, this Proposal 3B is prompted by business considerations and is not intended for anti-takeover purposes and is not in response to any threat of takeover. Presently, the Board of Directors is not aware of any threat or plan by any person or group to accumulate shares or obtain control of the Company nor does the Board of Directors have any immediate plan or intention to issue additional shares of capital stock.

PROPOSAL 3C

APPROVAL OF AN AMENDMENT TO THE ARTICLES OF INCORPORATION TO DECREASE THE VOTE REQUIRED FOR MERGERS, CONSOLIDATIONS, ASSET SALES, EXCHANGE OFFERS, DISSOLUTION, OR LIQUIDATION TO HOLDERS OF A MAJORITY OF THE SHARES OF THE CAPITAL STOCK ENTITLED TO VOTE THEREON

We are asking stockholders to approve an amendment to our Articles of Incorporation, to be reflected in the proposed Articles of Amendment and Restatement of our Articles of Incorporation attached as Annex A hereto, to lower the vote required for stockholders to approve mergers, consolidations, asset sales, exchange offers, dissolution, and liquidation to holders of a majority of the shares of capital stock entitled to vote on such matters when such

transactions are approved by two-thirds of our Board of Directors. The proposed amendment is set forth in Article 8(a) of the proposed Articles of Amendment and Restatement.

Our Board of Directors has concluded that it is in the best interests of the Company and its stockholders to eliminate the supermajority vote requirement for transactions approved by two-thirds of our directors. If this amendment to the Articles of Incorporation is approved, the sale, lease, or exchange of all or substantially all of the Company's property and assets, the merger or consolidation of the Company with another entity, the exchange of the Company's securities for the securities of another entity, and the dissolution or liquidation of the Company would, when such transactions are approved by two-thirds of our directors, require the affirmative vote of holders of a majority of the shares of capital stock entitled to vote on such matters; pursuant to Maryland law, under our current Articles of Incorporation such transactions must be approved by the affirmative vote of the holders of two-thirds of the Company's outstanding stock (i.e. all the votes entitled to be cast on the matter). Whether or not this proposed amendment is approved, the vote requirement for such transactions that are not approved by two-thirds of our Board of Directors will continue to require approval of holders of at least 80% of our shares of capital stock entitled to vote on such matters.

Supermajority vote provisions are generally intended to encourage a person making an unsolicited bid for an entity to negotiate with the board of directors to reach terms that are fair and provide the best deal for the entity's stockholders. While supermajority vote requirements can be beneficial, the Board of Directors recognizes there are also compelling reasons for having a lower threshold for stockholder votes on these types of corporate transactions. The requirement of a supermajority vote can limit the ability of stockholders to effect change by essentially providing a veto to a large minority stockholder or group of stockholders. Further, while the Company is not currently in negotiations with respect to any of the transactions covered by this provision, and has no current plans to dissolve or liquidate, approving this amendment to the Articles of Incorporation at this time will make it easier in the future for the Company to obtain stockholder approval of these actions should we desire to do so. The Board of Directors further believes that the two-thirds voting requirement may delay or derail a merger or other covered transaction that the Board of Directors and management believe is in the best interests of the Company and its stockholders while the Company attempts to obtain the required level of approval.

It is important to understand that lowering the voting threshold for these actions is not the same as actually taking the underlying substantive actions. You are not being asked to vote at this time to approve any actions of the type covered by current Article 8 of the Company's Articles of Incorporation, as described above. At the Annual Meeting we are asking stockholders only to approve the lowering of the voting threshold associated with subsequent stockholder approval of these actions, should any of these actions later become the subject of future consideration by the Company's stockholders.

PROPOSAL 4

APPROVAL OF THE COMMUNITY HERITAGE FINANCIAL, INC. 2020 EQUITY INCENTIVE PLAN

Introduction

The Board of Directors has approved and is proposing for stockholder approval the Community Heritage Financial, Inc. 2020 Equity Incentive Plan (the "Incentive Plan"). To date, no grants have been made under the Incentive Plan.

The purpose of the Incentive Plan is to advance the interests of the Company by providing directors and employees, and other individuals providing bona fide services to, the Company and its affiliates, including the Bank, with the opportunity to acquire an interest in the Company. By encouraging equity ownership, we seek to attract, reward, retain, and motivate the best available personnel, to provide additional incentive to directors and employees of the Company and the Bank and our affiliates to promote the success of the business as measured by the value of our shares, and generally to increase the commonality of interests among directors, employees, and stockholders.

The Incentive Plan provides for the grant of stock options (including incentive stock options within the meaning of section 422 the Internal Revenue Code of 1986, as amended (the “Code”), and non-qualified stock options), stock appreciation rights, restricted or unrestricted stock awards, restricted stock units, phantom stock, performance awards, and other stock-based awards, or any combination of the foregoing, in accordance with the terms thereof. As of August 27, 2020, no awards were outstanding under the Incentive Plan.

Our Board of Directors believes that grants of restricted stock, stock options, and other stock-based awards are important to attract and to encourage the continued employment and service of officers, certain employees, directors, and service providers by facilitating their acquisition of a stock or other equity interest in the Company. In the Board of Directors’ view, an initial or increased grant of shares of restricted stock, stock option grant, or other stock-based award will be a valuable incentive and will serve to the ultimate benefit of stockholders by aligning more closely the interests of Participants and stockholders.

All of the Company’s, the Bank’s, and the Company’s other affiliates’ employees, including executive officers, non-employee directors, and all other individuals providing bona fide services to or for the Company, the Bank, or another affiliate, such as consultants and independent contractors (“Participants”), are eligible to receive grants of Awards under the Incentive Plan.

The Board of Directors recommends a vote FOR approval of the 2020 Equity Incentive Plan.

Description of the 2020 Equity Incentive Plan

A summary of the material provisions of the Incentive Plan is set forth below. This summary is qualified in its entirety by the detailed provisions of the Incentive Plan. A copy of the Incentive Plan is attached as Annex B to this proxy statement. Terms not otherwise defined have the meanings assigned to such terms in the Incentive Plan.

Administration

The Incentive Plan is administered by the Compensation Committee of the Company’s Board of Directors or another committee that may be appointed by the Board (the “Administrator”). We expect the Compensation Committee of the Board of Directors to administer the Incentive Plan. In addition, as permitted by applicable law, the Administrator may delegate its functions under the Incentive Plan to officers or other employees (except with respect to the officers or other employees so designated), who serve as the Administrator of the Incentive Plan to the extent authorized. Subject to the terms of the Incentive Plan, the Administrator may determine the eligible persons to whom awards are granted, the type of awards to be granted, the number of shares of common stock covered by or used for reference purposes for each Award, whether to modify, amend, extend, or renew existing Awards, and the terms, limitations, restrictions, and conditions of all Awards, including the exercise price of options, whether an option is an incentive stock option or a non-qualified stock option, exceptions to nontransferability, any performance goals applicable to Awards, and provisions relating to vesting and the period of exercise or restriction.

Subject to the provisions of the Incentive Plan, the Administrator may administer and interpret the Incentive Plan and Awards granted under the Incentive Plan (including the agreements evidencing such Awards). The Administrator may adopt and interpret such rules and regulations relating to the Incentive Plan as the Administrator deems necessary or advisable. The determinations of the Administrator on the matters outlined above are binding and final.

Stock Subject to the Incentive Plan

The maximum number of shares of our common stock that may be issued with respect to Awards granted under the Incentive Plan is 500,000.

If our outstanding common stock changes as a result of a stock dividend, spin-off, stock split split-up, recapitalization, reclassification, reorganization, combination or exchange of shares, merger, consolidation, liquidation, business combination, or similar event, other than a Change of Control, then (a) the maximum number of shares of common stock as to which Awards may be granted under the Incentive Plan and (b) the number of shares covered by and the exercise price and other terms of outstanding Awards will automatically be adjusted to reflect such event, unless the Board of Directors determines that no adjustment to the maximum number of shares issuable under the Incentive Plan will be made.

If an option expires or terminates without having been fully exercised, or if shares of restricted stock are forfeited, then the unissued shares of common stock that had been subject to the Award will be available for the grant of additional Awards.

Restricted and Unrestricted Stock Awards; Restricted Stock Units

The Administrator may grant shares of restricted or unrestricted stock, subject to the terms and conditions in the Incentive Plan. Shares of restricted stock granted under the Incentive Plan will consist of shares of common stock that are restricted as to transfer, subject to forfeiture, and subject to such other terms and conditions as determined by the Administrator. Generally, if the Participant's employment or service terminates during the vesting period for any reason other than in connection with a Change of Control or because of the Participant's death or Disability, any shares of unvested restricted stock will be forfeited. Under the Incentive Plan, the Administrator may, on such terms and conditions as it may determine to be appropriate, remove any or all of the restrictions imposed on any Award of restricted stock after the issuance of such Award.

In lieu of granting Stock Awards, the Administrator may grant restricted stock units entitling the recipient to receive shares of our common stock to be delivered at the time such Awards vest (as opposed to at the time the Award is granted, as is the case with grants of restricted or unrestricted stock).

Stock Options

The Incentive Plan permits the granting of options to purchase shares of common stock intended to qualify as incentive options under the Code and options that do not qualify as incentive options. Incentive stock options may only be granted to employees of the Company, the Bank, or an eligible affiliate on the date of grant. Each option granted under the Incentive Plan will be identified either as a non-qualified stock option or an incentive stock option and will be evidenced by an agreement that specifies the terms and conditions of the option.

The exercise price of each option will be determined by the Administrator but may not be less than the fair market value of our common stock on the date of grant. In the case of an incentive stock option granted to an employee who, on the date of grant, is the beneficial owner of at least 10% of the combined voting power of the Company and any subsidiary (a "Ten-Percent Stockholder"), however, the exercise price may not be less than 110% of the fair market value of the common stock on the date of grant.

The period during which an option granted under the Incentive Plan will be exercisable, as determined by the Administrator, will be set forth in the agreement evidencing the option Award, provided that any option granted under the Incentive Plan may not be exercisable for more than 10 years from its date of grant and an incentive stock option granted to a Ten-Percent Stockholder may not be exercisable for more than five years from its date of grant.

Other Awards

The Administrator may also award:

Stock Appreciation Rights. The Administrator may from time to time grant to eligible Participants Awards of Stock Appreciation Rights ("SARs"). The holder of a SAR is entitled to receive upon exercise the excess of the

fair market value (calculated as of the exercise date) of a specified number of shares of the Company's common stock over the base price per share of the SAR, which may not be less than the fair market value of a share of common stock on the date of grant. Payment by the Company of the amount receivable upon any exercise of a SAR may be made by the delivery of common stock, cash, or any combination of common stock and cash, as specified in the agreement evidencing the SAR Award or as determined in the sole discretion of the Administrator. No fractional shares will be used for such payment and the Administrator will determine whether cash shall be given in lieu of such fractional shares or whether such fractional shares shall be eliminated.

Phantom Stock. The Administrator grant Awards to eligible Participants denominated in stock-equivalent units. A grant of phantom stock entitles the holder thereof to receive the market value of an equivalent number of shares of common stock on the settlement date determined by the Administrator. An Award of Phantom Stock may be settled in common stock, cash, or in a combination of common stock and cash. The Administrator will determine the other terms and conditions of any phantom stock award, which will be set forth in the agreement evidencing the Award.

Performance Awards. The Administrator may, in its sole discretion, grant performance awards under the Incentive Plan that become payable on account of attainment of one or more Performance Goals established by the Administrator. Performance awards may be paid by the delivery of common stock, cash, or any combination of common stock and cash.

Performance Goals established by the Administrator may be based on one or more business criteria that apply to either an individual or group of individuals, the Company, the Bank, and/or one or more of our affiliates, and over such period as the Administrator may designate. Such Performance Goals can be based on operating income, earnings or earnings growth, sales, return on assets, equity or investments, regulatory compliance, satisfactory internal or external audits, improvement of financial ratings, achievement of balance sheet or income statement objectives, or any other objective goals established by the Administrator, and may be absolute in their terms or measured against or in relationship to other companies comparably, similarly, or otherwise situated.

Other Stock-Based Awards

The Administrator is also authorized to grant other stock-based awards to eligible Participants that are denominated or payable in, or otherwise based on or related to, our common stock, subject to terms and conditions in the Incentive Plan.

General Provisions

Transferability. Except as otherwise determined by the Administrator and set forth in the agreement evidencing an Award (and in any case with respect to an incentive stock option or stock appreciation right granted with respect to an incentive stock option), no Award granted under the Incentive Plan is transferable other than by will or the laws of descent and distribution in the event of the grantee's death, or pursuant to the terms of a "qualified domestic relations order" (as defined in Section 414(p) of the Code). Unless otherwise determined by the Administrator, during the grantee's lifetime, an Award may be exercised only by the grantee or, during a period the grantee is under a legal disability, by the grantee's guardian or legal representative.

Change of Control. In the event of a Change of Control (as defined in the Incentive Plan) of the Company, except as otherwise provided in the agreement evidencing the Award, all Awards granted under the Incentive Plan will vest as of the closing date of such transaction, unless the Administrator elects to have the Awards vest as of an earlier date, provided that if the surviving, successor, or acquiring entity in the transaction (or its parent) agrees to replace Awards with rights to its equity securities that confer substantially the same benefits as those represented by the Awards, as determined by the Administrator, then the Awards will not vest but will instead be so replaced.

Amendments, Termination, and Modification. The Board of Directors may at any time for any reason amend, modify, or terminate the Incentive Plan, but no such action may be taken that adversely affects any rights under an outstanding Award without the holder's consent. After the Incentive Plan has been approved by the Company's stockholders, however, the Board of Directors may not amend or modify the Incentive Plan or any portion thereof without the approval of the Company's stockholders if stockholder approval of the amendment is required by applicable law, rules, or regulations. Furthermore, the Administrator may not amend or modify any Award if such amendment or modification would require the approval of the stockholders if the amendment or modification were made to the Incentive Plan.

Term of the Incentive Plan. Unless sooner terminated by the Board, the Incentive Plan will terminate 10 years from the date that it is approved by our stockholders, or October 16, 2030. The termination of the Incentive Plan will not, however, affect the validity of any Awards outstanding on the date of termination.

Summary of Certain Federal Income Tax Consequences

The following discussion briefly summarizes certain United States federal income tax aspects of Awards granted pursuant to the Incentive Plan. State and local tax consequences may differ.

Incentive Stock Options. For purposes of the regular income tax, an option holder will not recognize income on the grant or exercise of an incentive stock option. The difference between the exercise price and the fair market value of the stock on the date of exercise is a tax preference item that is required to be taken into account in determining whether the taxpayer is liable for the alternative minimum tax.

If certain holding period requirements are satisfied, gain or loss from the sale or exchange of shares of common stock acquired on the exercise of an incentive stock option will be treated as capital gain or loss, provided, however, that if certain holding period requirements are not satisfied the option holder generally will recognize ordinary income at the time of the disposition. Gain recognized on the disposition in excess of the ordinary income resulting therefrom will be capital gain, and any loss recognized will be a capital loss.

Non-qualified stock options, stock appreciation rights, awards of phantom stock, and performance awards. A grantee generally is not required to recognize income on the grant of a non-qualified stock option, stock appreciation right, phantom stock award, or performance award. Instead, ordinary income generally is required to be recognized on the date the non-qualified stock option or stock appreciation right is exercised, or in the case of an award of phantom stock or a performance award on the date of payment of such Award in cash or shares of common stock. In general, the amount of ordinary income required to be recognized (a) in the case of a non-qualified stock option, is an amount equal to the excess, if any, of the fair market value of the shares of common stock on the exercise date over the exercise price, (b) in the case of a stock appreciation right, the amount of cash and the fair market value of any shares of common stock received on exercise, and (c) in the case of an award of phantom stock or a performance award, the amount of cash and the fair market value of any shares of common stock received. In each of these instances, the amount included in income is treated as compensation subject to withholding taxes.

Restricted Stock and Restricted Stock Units. Shares of restricted stock and restricted stock units awarded under the Incentive Plan will be subject to a substantial risk of forfeiture for the period of time specified in the Award. Unless a grantee of shares of restricted stock makes an election under Section 83(b) of the Code as described below, the grantee generally is not required to recognize ordinary income on the award of restricted stock or restricted stock units. Instead, on the date the substantial risk of forfeiture lapses, the grantee will be required to recognize ordinary income in an amount equal to the excess, if any, of the fair market value of the shares of common stock on such date over the amount, if any, paid for such shares. If a grantee of shares of restricted stock makes a Section 83(b) election to recognize ordinary income on the date the shares are awarded, the amount of ordinary income required to be recognized is an amount equal to the excess, if any, of the fair market value of the shares on the date of award over the amount, if any, paid for such shares. In such case, the grantee will not be required to

recognize additional ordinary income when the substantial risk of forfeiture lapses. The Section 83(b) election is not available with respect to a grant of restricted stock units.

Unrestricted Stock. In general, a grantee is required to recognize ordinary income on the date of issuance of unrestricted shares of common stock to the grantee equal to the excess, if any, of the fair market value of such shares on such date over the amount, if any, paid for such shares.

Gain or Loss on Sale or Exchange of Common Stock. A grantee will recognize gain or loss upon the sale or exchange of shares of common stock granted or awarded under the Incentive Plan. In general, gain or loss from the sale or exchange of shares of common stock granted or awarded under the Incentive Plan will be treated as capital gain or loss, provided that the shares are held as capital assets at the time of the sale or exchange. Whether such capital gain or capital loss is long-term or short-term will depend upon the period of time the grantee holds the shares once they are acquired. In the case of restricted stock, the holding period begins immediately if the Section 83(b) election described above is made; otherwise, the holding period does not begin until the substantial risk of forfeiture lapses. If, however, certain holding period requirements are not satisfied at the time of a sale or exchange of shares of common stock acquired upon exercise of an incentive stock option (a “disqualifying disposition”), a grantee generally will be required to recognize ordinary income upon such disposition.

The capital gain or loss will be equal to the difference between the selling price and the optionee’s basis in the stock. For options, the basis is generally the sum of the option price plus the amount of taxable income the optionee reported upon the exercise of the option.

Deductibility by Community Heritage Financial. The Company generally is not allowed a deduction in connection with the grant or exercise of an incentive stock option. If a grantee is required to recognize income as a result of a disqualifying disposition, however, we will generally be entitled to a deduction equal to the amount of ordinary income so recognized. In general, in the case of a non-qualified stock option (including an incentive stock option that is treated as a non-qualified stock option, as described above), a stock appreciation right, a stock award, an award of phantom stock, or a performance award, we will be allowed a deduction in an amount equal to the amount of ordinary income recognized by the grantee, provided that certain income tax reporting requirements are satisfied.

Parachute Payments. Where payments to certain persons that are contingent on a change in control exceed limits specified in Section 280G of the Code, the person generally is liable for a 20% federal excise tax on, and the corporation or other entity making the payment generally is not entitled to any deduction for, a specified portion of such payments. Under the Incentive Plan, the Administrator may grant options and other Awards for which the vesting is accelerated by a Change of Control of the Company. Such acceleration of vesting would be treated in part as a payment contingent on the change in control that would be taken into account in determining whether the limits under Section 280G are exceeded, and if they are in determining the amounts subject to the excise tax and deduction disallowance rules.

OTHER BUSINESS

Company management does not intend to present any other matters for action at the Annual Meeting, and the Board of Directors has not been informed that other persons intend to present any matters for action at the Annual Meeting. If any other matter should properly come before the Annual Meeting, however, including matters for which we did not receive notice by June 18, 2020 (which, pursuant to our bylaws, is the deadline for providing notice of director nominations and proposals of other business at the Annual Meeting), the persons named in the accompanying form of proxy intend to vote thereon, pursuant to the proxy, in accordance with their judgment of the best interests of the Company.

By order of the Board of Directors

James G. Pierne, Chairman of the Board

August 25, 2020

Annex A

Articles of Amendment and Restatement of the Articles of Incorporation

[attached]

Annex A

Community Heritage Financial, Inc. 2020 Equity Incentive Plan

[attached]

**ARTICLES OF AMENDMENT AND RESTATEMENT
OF THE
ARTICLES OF INCORPORATION
OF
COMMUNITY HERITAGE FINANCIAL, INC.**

The undersigned, being authorized to execute and file these Articles of Amendment and Restatement of the Articles of Incorporation (“Articles of Amendment and Restatement”) of Community Heritage Financial, Inc., a Maryland Corporation (“Corporation”), hereby certifies to the State Department of Assessments and Taxation of Maryland that:

FIRST: The Corporation desires to amend and restate its Articles of Incorporation in its entirety pursuant to these Articles of Amendment and Restatement. The provisions set forth in these Articles of Amendment and Restatement are all the provisions of the Articles of Incorporation of the Corporation as currently in effect.

SECOND: The Articles of Incorporation of the Corporation are hereby amended and restated by striking Articles 1 through 12 of the Articles of Incorporation in their entirety and substituting in lieu thereof the following:

**ARTICLE 1
Name**

The name of the corporation (which is hereinafter called the “Corporation”) is:

COMMUNITY HERITAGE FINANCIAL, INC.

**ARTICLE 2
Purposes**

The purposes for which the Corporation is formed are as follows:

(a) to own and hold the stock of financial institutions and otherwise operate as a financial institution holding corporation and to carry on any and all business activities permitted by law; and

(b) to engage in any other lawful act or activity that may be carried on by a corporation under the Maryland General Corporation Law (the “MGCL”), whether or not related to the business described elsewhere in this Article or to any other business at the time or theretofore engaged in by the Corporation.

The foregoing enumerated purposes and objects shall be in no way limited or restricted by reference to, or inference from, the terms of any other clause of this or any other Article of the Charter of the Corporation, and each shall be regarded as independent; and they are intended to be and shall be construed as powers as well as purposes and objects of the Corporation and shall be in addition to and not in limitation of the general powers of corporations under the MGCL.

ARTICLE 3
Principal Office

The street address of the principal banking office of the Corporation is 24 West Main Street, Middletown, Maryland 21769.

ARTICLE 4
Resident Agent

The name and address of the resident agent of the Corporation is J. Michael Hill, having an address of 24 West Main Street, Middletown, Maryland 21769. Said resident agent of the Corporation is a citizen of the State of Maryland.

ARTICLE 5
Board of Directors

(a) The number of directors of the Corporation is nine, which number may be increased or decreased only by the Board of Directors pursuant to the Bylaws of the Corporation, but shall never be less than the minimum number required by the MGCL. The directors, other than those who may be elected by the holders of any series of Preferred Stock, shall be divided into three classes, as nearly equal in number as reasonably possible, with the term of office of the first class (“Class 1”) to expire at the conclusion of the annual meeting of stockholders to be held in 2022, the term of office of the second class (“Class 2”) to expire at the conclusion of the annual meeting of stockholders to be held in 2020 and the term of office of the third class (“Class 3”) to expire at the conclusion of the annual meeting of stockholders to be held in 2021, with each director to hold office until his or her successor shall have been duly elected and qualified. At each annual meeting of stockholders, directors elected to succeed those directors whose terms expire shall be elected for a term of office to expire at the third succeeding annual meeting of stockholders after their election or for such shorter period of time as the Board of Directors may determine, with each director to hold office until his or her successor shall have been duly elected and qualified.

The names and addresses of those individuals who will serve as directors of the Corporation until their successors are elected and qualify are as follows:

Class 1 Directors	Term to Expire	Address
Robert E. Goetz, Jr.	2022	24 West Main Street Middletown, Maryland 21769
John T. Routzahn, III	2022	24 West Main Street Middletown, Maryland 21769
John J. Rudy	2022	24 West Main Street Middletown, Maryland 21769

Class 2 Directors	Term to Expire	Address
A. Dennis Remsburg	2020	24 West Main Street Middletown, Maryland 21769
James G. Pierne	2020	24 West Main Street Middletown, Maryland 21769
Todd M. Snook	2020	24 West Main Street Middletown, Maryland 21769
Class 3 Directors	Term to Expire	Address
James H. Clapp	2021	24 West Main Street Middletown, Maryland 21769
J. Thomas Routzahn, Jr.	2021	24 West Main Street Middletown, Maryland 21769
Richard L. Kefauver	2021	24 West Main Street Middletown, Maryland 21769

(b) Advance notice of stockholder nominations for the election of directors and of business to be brought by stockholders before any meeting of the stockholders of the Corporation shall be given in the manner provided in the Bylaws of the Corporation. Stockholder proposals to be presented in connection with a special meeting of stockholders shall be presented by the Corporation only to the extent required by Section 2-502 of the MGCL and the Bylaws of the Corporation.

(c) Any vacancies in the Board of Directors may be filled in the manner provided in the Bylaws of the Corporation.

(d) Subject to the rights of the holders of any series of Preferred Stock then outstanding, any director, or the entire Board of Directors, may be removed from office at any time, but only for cause and only by the affirmative vote of the holders of at least eighty percent (80%) of the voting power of all of the then-outstanding shares of capital stock of the Corporation entitled to vote generally in the election of directors (after giving effect to the provisions of Article 6 hereof) voting together as a single class.

(e) The Board of Directors shall have the exclusive power and authority to amend, alter, change, or repeal the Bylaws of the Corporation or any provision thereof, and to make from time to time additional Bylaws, in all cases subject to such voting requirements as may be set forth in the Bylaws of the Corporation.

(f) The enumeration and definition of particular powers of the Board of Directors included in this Article 5 or Article 6 hereof shall in no way be limited or restricted by reference to or inference from the terms of any other clause of this or any other article of the Articles of Incorporation of the Corporation or be construed as or deemed by inference or otherwise in any manner to exclude or limit any powers conferred upon the Board of Directors under the general

laws of the State of Maryland now or hereafter in force (including, without limitation, the MGCL).

ARTICLE 6
Capital Stock

(a) The total number of shares of capital stock of all classes that the Corporation has authority to issue is eleven million (11,000,000) shares, consisting of:

1. Ten million (10,000,000) shares of common stock, \$0.01 par value per share (the “Common Stock”); and
2. One million (1,000,000) shares of preferred stock, \$0.01 par value per share (the “Preferred Stock”).

The aggregate par value of all authorized shares is \$110,000.

(b) The designations and the preferences, conversion or other rights, voting powers, restrictions, limitations as to dividends, qualifications, and terms and conditions of redemption of the shares of each class of capital stock are as follows:

(i) Common Stock. Subject to all of the rights of holders of any preferred stock established pursuant to Section (b)(ii) of this Article 6, each share of Common Stock shall possess all such rights and privileges as are afforded to capital stock by applicable law, including, but not limited to, the following rights and privileges:

(A) dividends may be declared and paid or set apart for payment upon the Common Stock out of any assets or funds of the Corporation legally available for the payment of dividends;

(B) the holders of Common Stock shall have the right to vote on all matters requiring stockholder action, each share being entitled to one vote; and

(C) upon the voluntary or involuntary liquidation, dissolution or winding up of the Corporation, the net assets of the Corporation shall be distributed pro rata to the holders of the Common Stock in accordance with their respective rights and interests after (i) payment or provision for payment of the Corporation’s debts and liabilities and (ii) distributions or provisions for distributions to holders of any class or series of stock having a preference over the Common Stock in the liquidation, dissolution or winding up of the Corporation.

(ii) Preferred Stock. The Preferred Stock may be issued from time to time by the Board of Directors as shares of one or more series. The description of shares of each series of such Preferred Stock, including the designation, preferences, conversion or other rights, voting powers, restrictions, limitations as to dividends or terms or conditions of redemption shall be as set forth in resolutions adopted by the Board of Directors and in Articles Supplementary filed as required by law from time to time prior to the issuance of any shares of such series. The

provisions contained in these Articles of Incorporation are subject at all times to the rights of the holders of any series of Preferred Stock that may be outstanding from time to time.

(c) The Board of Directors is hereby empowered to authorize the issuance from time to time of shares of the Corporation's stock of any class, whether now or hereafter authorized, or securities convertible into or exchangeable for shares of its stock of any class or classes, whether now or hereafter authorized, for such consideration as the Board of Directors deems advisable, and without any action by the stockholders.

(d) The Board of Directors may classify and reclassify any unissued shares of capital stock by setting or changing in any one or more respects the preferences, conversion or other rights, voting powers, restrictions, limitations as to dividends, qualifications or terms or conditions of redemption of such shares of capital stock.

(e) A majority of the entire Board of Directors, without action by the stockholders, may amend the Charter to increase or decrease the aggregate number of shares of capital stock or the number of shares of capital stock of any class that the Corporation has authority to issue.

ARTICLE 7 **Preemptive Rights**

(a) No holder of any stock or any other securities of the Corporation, whether now or hereafter authorized, shall have any preemptive right to subscribe for or purchase any stock or any other securities of the Corporation other than such, if any, as the Board of Directors, in its sole discretion, may determine and at such price or prices and upon such other terms as the Board of Directors, in its sole discretion, may fix; and any stock or other securities which the Board of Directors may determine to offer for subscription may, as the Board of Directors in its sole discretion shall determine, be offered to the holders of any class, series or type of stock or other securities at the time outstanding to the exclusion of the holders of any or all other classes, series or types of stock or other securities at the time outstanding.

ARTICLE 8 **Extraordinary Transactions**

(a) No Subject Transaction (as that term is defined below) shall be valid unless approved by the affirmative vote, cast in person or by proxy, of the holders of record of at least eighty percent (80%) of the shares of the capital stock of the Corporation entitled to vote thereon, unless the Subject Transaction shall have been approved by at least two-thirds of the directors of the Corporation, in which case the Subject Transaction shall be approved by the affirmative vote, cast in person or by proxy, of the holders of at least a majority of the shares of the capital stock of the Corporation entitled to vote thereon.

(b) As used herein, the term "Subject Transaction" means any of the following:

(i) the merger or consolidation of the Corporation or any subsidiary of the Corporation whereby the Corporation or its subsidiary is not a successor or surviving entity;

- (ii) the sale, exchange, transfer, or other disposition (in a single transaction or a series of transactions) of all or substantially all of the assets of the Corporation or any subsidiary of the Corporation;
- (iii) any offer for the exchange of securities of another entity for the securities of the Corporation (including, without limitation, a statutory share exchange); and/or
- (iv) the dissolution or liquidation of the Corporation.

ARTICLE 9
Evaluation of Certain Offers

The Board of Directors, when evaluating (i) any offer of another Person (as defined below) to (A) make a tender or exchange offer for any equity security of the Corporation, (B) merge or consolidate the Corporation with another corporation or entity, or (C) purchase or otherwise acquire all or substantially all of the properties and assets of the Corporation or (ii) any other actual or proposed transaction that would or may involve a change in control of the Corporation (whether by purchases of shares of stock or any other securities of the Corporation in the open market or otherwise, tender offer, merger, consolidation, share exchange, dissolution, liquidation, sale of all or substantially all of the assets of the Corporation, proxy solicitation or otherwise), may, in connection with the exercise of its business judgment in determining what is in the best interests of the Corporation and its stockholders and in making any recommendation to the Corporation's stockholders, give due consideration to all relevant factors, including, but not limited to: (A) the economic effect, both immediate and long-term, upon the Corporation's stockholders, including stockholders, if any, who do not participate in the transaction; (B) the social and economic effect on the present and future employees, creditors and customers of, and others dealing with, the Corporation and its subsidiaries and on the communities in which the Corporation and its subsidiaries operate or are located; (C) whether the proposal is acceptable based on the historical, current or projected future operating results or financial condition of the Corporation; (D) whether a more favorable price could be obtained for the Corporation's stock or other securities in the future; (E) the reputation and business practices of the other entity to be involved in the transaction and its management and affiliates as they would affect the employees of the Corporation and its subsidiaries; (F) the future value of the stock or any other securities of the Corporation or the other entity to be involved in the proposed transaction; (G) any antitrust or other legal and regulatory issues that are raised by the proposal; (H) the business and historical, current or expected future financial condition or operating results of the other entity to be involved in the transaction, including, but not limited to, debt service and other existing financial obligations, financial obligations to be incurred in connection with the proposed transaction, and other likely financial obligations of the other entity to be involved in the proposed transaction; and (I) the ability of the Corporation's subsidiary bank to fulfill its objectives as a federally insured financial institution under applicable statutes and regulations. If the Board of Directors determines that any proposed transaction of the type described in clause (i) or (ii) of the immediately preceding sentence should be rejected, it may take any lawful action to defeat such transaction, including, but not limited to, any or all of the following: advising stockholders not to accept the proposal; instituting litigation against the party making the proposal; filing complaints with governmental and regulatory authorities; acquiring the stock or any of the securities of the Corporation; selling or otherwise issuing authorized but unissued stock or other securities or

granting options or rights with respect thereto; and obtaining a more favorable offer from another individual or entity. This Article 9 does not create any implication concerning factors that the Board of Directors is required to consider regarding any proposed transaction of the type described in clause (i) or (ii) of the first sentence of this Article 9.

For purposes of this Article 9, a “Person” shall include an individual, a group acting in concert, a corporation, a partnership, an association, a joint venture, a pool, a joint stock company, a trust, an unincorporated organization or similar company, a syndicate or any other group or entity formed for the purpose of acquiring, holding or disposing of securities.

ARTICLE 10 **Limitation of Liability**

To the fullest extent permitted by Maryland statutory or decisional law, as amended or interpreted, no director or officer of the Corporation shall be personally liable to the Corporation or its stockholders for money damages. No amendment of the Articles of Incorporation of the Corporation or repeal of any of its provisions shall limit or eliminate the limitation on liability provided to directors and officers hereunder with respect to any act or omission occurring prior to such amendment or repeal.

ARTICLE 11 **Indemnification of Directors and Officers**

The Corporation shall indemnify (a) its current and former directors and officers, whether serving the Corporation or at its request any other entity, to the full extent required or permitted by the general laws of the State of Maryland now or hereafter in force, including, without limitation, the advance of expenses to the full extent permitted by law, and (b) other employees and agents to such extent as shall be authorized by the Board of Directors or the Corporation’s Bylaws and be permitted by law. The foregoing rights of indemnification shall not be exclusive of any other rights to which those seeking indemnification may be entitled. The Board of Directors may take such action as is necessary to carry out these indemnification provisions and is expressly empowered to adopt, approve, and amend from time to time such bylaws, resolutions, or contracts implementing such provisions or such further indemnification arrangements as may be permitted by law. No amendment of the Charter of the Corporation or repeal of any of its provisions shall limit or eliminate the right to indemnification provided hereunder with respect to acts or omissions occurring prior to such amendment or repeal.

The Corporation shall not be liable for any payment under this Article 11 in connection with a claim made by any indemnitee to the extent such indemnitee has otherwise actually received payment under any insurance policy, agreement, or otherwise, of the amounts otherwise indemnifiable hereunder. The rights to indemnification and to the advancement of expenses conferred in this Article 11 shall be contract rights and such rights shall continue as to an indemnitee who has ceased to be a director or officer and shall inure to the benefit of the indemnitee’s heirs, executors and administrators.

Any repeal or modification of this Article 11 shall not in any way diminish any rights to indemnification or advancement of expenses of such director or officer or the obligations of the Corporation arising hereunder with respect to events occurring, or claims made, while this Article 11 is in force.

ARTICLE 12
Amendment of the Articles of Incorporation

The Corporation reserves the right from time to time to make any amendments to the Articles of Incorporation which may now or hereafter be authorized by law, including any amendments changing the terms or contract rights, as expressly set forth in the Articles of Incorporation, of any of its outstanding stock, by classification, reclassification or otherwise.

No amendment, addition, or change to, or alteration or repeal of, ARTICLE 5, ARTICLE 8, ARTICLE 9, ARTICLE 10, ARTICLE 11 or this ARTICLE 12 shall be made unless such action is approved by the affirmative vote, cast in person or by proxy, of the holders of record of at least eighty percent (80%) of the shares of the capital stock of the Corporation entitled to vote thereon.

THIRD: The foregoing amendment and restatement of the Articles of Incorporation of the Corporation was duly advised by the Board of Directors of the Corporation and approved by the stockholders of the Corporation, pursuant to and in accordance with MGCL.

FOURTH: The current address of the principal office of the Corporation is as set forth in Article 3 of the foregoing amendment and restatement of the Articles of Incorporation.

FIFTH: The name and address of the Corporation's current resident agent is as set forth in Article 4 of the foregoing amendment and restatement of the Articles of Incorporation.

SIXTH: The number of directors of the Corporation and the names of those currently in office are as set forth in Article 5 of the foregoing amendment and restatement of the Articles of Incorporation.

SEVENTH: (a) As of immediately before the foregoing amendment and restatement of the Articles of Incorporation, the total number of shares of capital stock of all classes that the Corporation has authority to issue is five million (5,000,000) shares, consisting of four million (4,000,000) shares of common stock, par value \$0.01 per share, and one million (1,000,000) shares of preferred stock, \$0.01 par value per share.

(b) As of immediately following the foregoing amendment and restatement of the Articles of Incorporation, the total number of shares of capital stock of all classes that the Corporation has authority to issue is eleven million (11,000,000) shares, consisting of ten million (10,000,000) shares of common stock, \$0.01 par value per share, and one million (1,000,000) shares of preferred stock, \$0.01 par value per share.

(c) The aggregate par value of all authorized shares having a par value is fifty thousand dollars (\$50,000.00) as of immediately before the foregoing amendment and restatement of the Articles of Incorporation and one hundred ten thousand dollars (\$110,000.00) as of immediately following the foregoing amendment and restatement of the Articles of Incorporation.

[Signatures appear on the following page.]

IN WITNESS WHEREOF, COMMUNITY HERITAGE FINANCIAL, INC. has caused these Articles of Amendment and Restatement to be signed and acknowledged in its name and on its behalf by its President and Chief Executive Officer and attested to by its Secretary on this ___ day of October, 2020, and its President and Chief Executive Officer acknowledges that these Articles of Amendment and Restatement are the act of Community Heritage Financial, Inc. and he further acknowledges that, as to all matters or facts set forth herein which are required to be verified under oath, such matters and facts are true in all material respects to the best of his knowledge, information, and belief, and that this statement is made under the penalties for perjury.

ATTEST:

COMMUNITY HERITAGE FINANCIAL,
INC.

Name: Dawn R. Woods
Title: Secretary

By: _____
Name: Robert E. Goetz, Jr.
Title: President and Chief Executive Officer

**CONSENT OF RESIDENT AGENT
OF COMMUNITY HERITAGE FINANCIAL, INC.**

The undersigned hereby consents to be named by Community Heritage Financial, Inc. as its resident agent in the State of Maryland.

J. Michael Hill

COMMUNITY HERITAGE FINANCIAL, INC.
2020 EQUITY INCENTIVE PLAN

1. Establishment, Purpose and Types of Awards. Community Heritage Financial, Inc. (the “Company”), the parent holding company of Middletown Valley Bank (the “Bank”), hereby establishes the COMMUNITY HERITAGE FINANCIAL, INC. 2020 EQUITY INCENTIVE PLAN (the “Plan”). The purpose of the Plan is to advance the interests of the Company by providing directors and employees of, and other individuals providing bona fide services to, the Company, the Bank, Millennium Financial Services, Inc., and other Affiliates with the opportunity to acquire a proprietary interest in the Company as compensation for their contributions to the Company, the Bank, Millennium Financial Services, Inc., and/or the Affiliate and as an incentive to make such contributions in the future. By encouraging equity ownership, the Company seeks: to attract, reward, retain, and motivate the best available personnel; to provide additional incentive to directors and employees of the Company and the Affiliates to promote the success of the business as measured by the value of the Company’s shares; and generally to increase the commonality of interests among directors, employees, and stockholders.

The Plan permits the granting of stock options (including incentive stock options within the meaning of Code Section 422 and non-qualified stock options), stock appreciation rights, restricted or unrestricted stock awards, restricted stock units, Phantom Stock, performance awards, other stock-based awards, or any combination of the foregoing.

2. Definitions. Under the Plan, except where the context otherwise indicates, the following definitions apply:

“409A Rules” has the meaning given to the term in Section 9(m) hereof.

“Administrator” means the Board or the committee(s) or officer(s) appointed by the Board that have authority to administer the Plan as provided in Section 3 hereof.

“Advisory Director” means a person appointed to serve as an advisory or emeritus director by the Board or the Board of Directors of an Affiliate, or any successors thereto.

“Affiliate” means any entity (including, but not limited to, joint ventures, limited liability companies, and partnerships), whether now or hereafter existing, that controls, is controlled by, or is under common control with, the Company, including the Bank and Millennium Financial Services, Inc. For this purpose, “control” shall mean ownership of 50% or more of the total combined voting power or value of all classes of stock or interests of the entity.

“Award” means any stock option, stock appreciation right, stock award, restricted stock unit, Phantom Stock award, performance award, or other stock-based award pursuant to the Plan.

The “Bank” means Middletown Valley Bank.

“Board” means the Board of Directors of the Company.

“Cause” has the meaning ascribed to such term or words of similar import in a Participant’s written employment, service, or similar contract with the Company or an Affiliate and, in the absence of such agreement or definition, means a Participant’s: (i) conviction of, or plea of guilty or nolo contendere to, a felony or crime involving moral turpitude; (ii) fraud on or misappropriation or embezzlement of any funds or property of the Company or any Affiliate, customer, or vendor; (iii) personal dishonesty, incompetence, willful misconduct, willful violation of any law, rule, or regulation (other than minor traffic violations or similar offenses), or breach of fiduciary duty that involves personal profit; (iv) willful misconduct in connection with the Participant’s duties or willful failure to perform the Participant’s responsibilities in the best interests of the Company or an Affiliate; (v) illegal use or distribution of drugs; (vi) violation of any Company, Bank, or Affiliate rule, regulation, procedure, or policy; or (vii) breach of any provision of any employment, non-disclosure, non-competition, non-solicitation, or other similar agreement executed by the Participant for the benefit of the Company or an Affiliate, all as determined by the Administrator, which determination shall be conclusive.

“Change of Control” shall, unless otherwise expressly provided in the applicable Grant Agreement, have the meaning ascribed to such term or words of similar import in the Participant’s written employment, service, or similar agreement with the Company or an Affiliate; provided, however, that if there is no such agreement, a “Change of Control” means if any of the following occurs:

(i) any individual, firm, corporation, or other entity, or any group (as defined in Section 13(d)(3) or the Exchange Act) becomes, directly or indirectly, the beneficial owner (as defined in the general rules and regulations of the Securities and Exchange Commission with respect to Sections 13(d) and 13(g) of the Exchange Act) of more than 30% of the then-outstanding shares of the Company’s capital stock entitled to vote generally in the election of directors of the Company, provided, however, that in no event shall a Change of Control be deemed to have occurred as a result of any acquisition of securities or assets of the Company, the Bank, Millennium Financial Services, Inc., or a subsidiary of any of them, by the Company, the Bank, Millennium Financial Services, Inc., or any subsidiary of any of them, or by any profit sharing, employee ownership, or other employee benefit plan maintained by any of them, or any trustee of or fiduciary with respect to any such plan when acting in such capacity, or any group comprised solely of such entities; or

(ii) the merger or other business combination of the Company with or into another entity pursuant to which the stockholders of the Company do not own, immediately after the transaction, more than 50% of the voting power of the entity that survives the transaction; or

(iii) during any period of two years or less, individuals who at the beginning of such period constituted the Board cease for any reason to constitute at least a majority thereof, unless the election, or the nomination for election by the stockholders of the Company, of each new director was approved by a vote of at least 75% of the directors then still in office who were directors at the beginning of the period; or

(iv) the sale, exchange, transfer, assignment, or other disposition of all or substantially all of the assets of the Company or the Bank to any third party;

provided, however, that a Change of Control shall not include a public offering of capital stock of the Company.

“Code” means the Internal Revenue Code of 1986, as amended, and any regulations promulgated thereunder.

“Common Stock” means the Company’s common stock, par value \$0.01 per share.

“Company” means Community Heritage Financial, Inc.

“Disability” shall, unless otherwise expressly provided in the applicable Grant Agreement, have the meaning ascribed to such term or words of similar import in the applicable Participant’s written employment or similar agreement with the Company or an Affiliate; provided, however, that if there is no such agreement, Disability shall mean a physical or mental condition that renders the Participant unable to perform the duties of the Participant’s customary position of service for an indefinite period that the Administrator determines will be of long, continued duration. The Participant shall be considered Disabled as of the date the Administrator determines that the Participant first satisfied the definition of Disability or, if the Company then maintains long-term disability insurance, the date as of which the Participant is eligible for benefits under that insurance. The Administrator may require such proof of Disability as the Administrator in its sole discretion deems appropriate and the Administrator’s good faith determination as to whether the Participant is totally and permanently disabled will be final and binding on all parties concerned.

“Dividend Equivalents” has the meaning given to the term in Section 7 hereof.

“Employee” means any person employed by the Company, the Bank, Millennium Financial Services, Inc., or any other Affiliate, other than in the capacity as director, advisory director, or comparable status.

“Exchange Act” means the Securities Exchange Act of 1934, as amended.

“Fair Market Value” means, with respect to a share of Common Stock for any purpose on a particular date: (i) the closing price quoted on any national securities exchange or national securities association that is the principal market for the Common Stock; (ii) if the Common Stock is not so listed, the last or closing price on the relevant date quoted on the OTC Market Group’s quotation system, or a comparable service as determined in the Administrator’s sole discretion; or (iii) if the Common Stock is not listed or quoted by any of the above, the closing bid price on the relevant date furnished by a professional market maker for the Common Stock selected by the Administrator in its sole discretion. If the Common Stock is listed or quoted as described in clause (i), (ii) or (iii) above, as applicable, but no public trading of the Common Stock occurs on the relevant date, then Fair Market Value shall be determined as of the nearest preceding date on which trading of the Common Stock occurred. For all purposes under the Plan, the term “relevant date” as used in this definition means either the date as of which Fair Market Value is to be determined or the nearest preceding date on which public trading of the Common Stock occurred, as determined in the Administrator’s sole discretion.

“Grant Agreement” means a written document memorializing the terms and conditions of an Award granted pursuant to the Plan. Each Grant Agreement shall incorporate by reference the terms of the Plan.

“Participant” means a person eligible to be granted Awards under the Plan pursuant to Section 5 hereof.

“Parent” shall mean a corporation, whether now or hereafter existing, within the meaning of the definition of “parent corporation” provided in Code Section 424(e), or any successor thereto.

“Performance Goals” shall mean performance goals established by the Administrator, which may be based on one or more business criteria selected by the Administrator that apply to an individual or group of individuals, the Company, and/or one or more Affiliates either separately or together, over such performance period as the Administrator may designate, including, but not limited to, criteria based on operating income, earnings or earnings growth, sales, return on assets, equity or investment, regulatory compliance, satisfactory internal or external audits, improvement of financial ratings, achievement of balance sheet or income statement objectives, or any other objective goals established by the Administrator, and may be absolute in their terms or measured against or in relationship to other companies comparably, similarly, or otherwise situated.

“Phantom Stock” has the meaning given to the term in Section 6(d) hereof.

“Realization Event” has the meaning given to the term in Section 8 hereof.

“SAR” has the meaning given to the term in Section 6(b) hereof.

“Securities Act” means the Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder at the time of reference thereto.

“Stock Awards” has the meaning given to the term in Section 6(c) hereof.

“Subsidiary” and “Subsidiaries” shall mean only a corporation or corporations, whether now or hereafter existing, within the meaning of the definition of “subsidiary corporation” provided in Section 424(f) of the Code, or any successor thereto.

“Ten-Percent Stockholder” shall mean a Participant who (applying the rules of Code Section 424(d)) owns stock possessing more than 10% of the total combined voting power or value of all classes of stock or interests of the Company or a Parent or Subsidiary of the Company.

“Vest” means satisfaction in full of all conditions precedent, imposed by the Plan and the related Grant Agreement, to a grantee’s right to exercise an option, to hold restricted stock free of any obligation to forfeit or retransfer the same to Company, or to receive payments under a restricted stock unit, stock appreciation right, or Award of Phantom Stock.

3. Administration.

(a) Administration of the Plan. The Plan shall be administered by the Compensation Committee of the Board or another committee that may be appointed by the Board from time to time; provided, however, that unless otherwise determined by the Board, the Administrator shall be comprised solely of two or more persons who are “non-employee directors” within the meaning of Rule 16b-3 promulgated under the Exchange Act. To the extent allowed by applicable state or federal law, the Administrator may delegate its functions under the Plan to officers or other Employees (except with respect to the grant of Awards under the Plan to any such officer or Employee so delegated) of the Company or an Affiliate and, to the extent of such authorization, such officer(s) or Employee(s) shall be the Administrator.

(b) Powers of the Administrator. The Administrator shall have all the powers vested in it by the terms of the Plan, such powers to include authority, in its sole discretion, to grant Awards under the Plan, prescribe Grant Agreements evidencing such Awards, and establish programs for granting Awards.

The Administrator shall have full power and authority to take all other actions necessary to carry out the purpose and intent of the Plan, including, but not limited to, the authority to: (i) determine the eligible persons to whom, and the time or times at which, Awards shall be granted; (ii) determine the types of Awards to be granted; (iii) determine the number of shares to be covered by or used for reference purposes for each Award; (iv) impose such terms, limitations, restrictions, and conditions (not inconsistent with the Plan) upon any such Award as the Administrator shall deem appropriate, including, but not limited to, whether a stock option shall be an incentive stock option or a non-qualified stock option, any exceptions to nontransferability, any Performance Goals applicable to Awards, any provisions relating to Vesting, any circumstances in which the Awards would terminate, the period during which Awards may be exercised, and the period during which Awards shall be subject to restrictions; (v) modify, amend, extend, or renew outstanding Awards, or accept the surrender of outstanding Awards and substitute new Awards (provided however, that, except as provided in Sections 6 or 9(e) of the Plan, no modification that would materially adversely affect any outstanding Award shall be made without the consent of the holder thereof); (vi) accelerate, extend, or otherwise change the time in which an Award may be exercised or becomes payable and to waive or accelerate the lapse, in whole or in part, of any restriction or condition with respect to such Award, including, but not limited to, any restriction or condition with respect to the Vesting of an Award following termination of any grantee’s employment or other relationship with the Company or an Affiliate; (vii) establish objectives and conditions (including, without limitation, Vesting criteria), if any, for earning Awards and determining whether such objectives and conditions have been satisfied; (viii) determine the Fair Market Value of the Common Stock from time to time in accordance with the Plan; and (ix) for any purpose, including, but not limited to, qualifying for preferred tax treatment under foreign tax laws or otherwise complying with the regulatory requirements of local or foreign jurisdictions, to establish, amend, modify, administer, or terminate sub-plans, and prescribe, amend, and rescind rules and regulations relating to such sub-plans.

The Administrator shall have full power and authority, in its sole discretion, to administer and interpret the Plan, Grant Agreements, and all other documents relevant to the

Plan and Awards issued thereunder, and to adopt and interpret such rules, regulations, agreements, guidelines, and instruments for the administration of the Plan and for the conduct of its business as the Administrator deems necessary or advisable.

(c) Non-Uniform Determinations. The Administrator's determinations under the Plan (including, without limitation, determinations of the persons to receive Awards, the form, amount, and timing of such Awards, the terms and provisions of such Awards, and the Grant Agreements evidencing such Awards) need not be uniform and may be made by the Administrator selectively among persons who receive, or are eligible to receive, Awards under the Plan, whether or not such persons are similarly situated.

(d) Limited Liability. To the maximum extent permitted by law, no member of the Administrator shall be liable for any action taken or decision made in good faith relating to the Plan or any Award thereunder.

(e) Indemnification. To the maximum extent permitted by law and by the Company's articles of incorporation and bylaws, the members of the Administrator shall be indemnified by the Company in respect of all their activities under the Plan.

(f) Reliance on Reports. Each member of the Board shall be fully justified in relying or acting in good faith upon any report made by the independent public accountants of the Company, and upon any other information furnished in connection with the Plan. In no event shall any person who is or shall have been a member of the Board or the Administrator be liable for any determination made or other action taken or any omission to act in reliance upon any such report or information, or for any action taken, including the furnishing of information, or failure to act, if in good faith.

(g) Effect of Administrator's Decision. All actions taken and decisions and determinations made by the Administrator on all matters relating to the Plan pursuant to the powers vested in it hereunder shall be in the Administrator's sole discretion and shall be conclusive and binding on all parties concerned, including the Company, its stockholders, any Participants, and any other employee, consultant, or director of the Company, and their respective successors in interest.

4. Shares Available for the Plan. The aggregate number of shares of Common Stock issuable pursuant to all Awards granted under the Plan shall not exceed 500,000. The aggregate number of shares of Common Stock available for grant under the Plan and the number of shares of Common Stock subject to outstanding Awards shall be subject to adjustment as provided in Section 9(e) of the Plan.

The Company shall keep available for issuance such number of shares for Awards under the Plan, subject to adjustments as provided in Section 9(e) of the Plan. If any Award, or portion of an Award, under the Plan expires or terminates unexercised, becomes unexercisable, or is forfeited or otherwise terminated, surrendered, or canceled as to any shares, or if any shares of Common Stock are repurchased by or surrendered to the Company in connection with any Award (whether or not such surrendered shares were acquired pursuant to any Award), or if any shares

are withheld by the Company, the shares subject to such Award and the repurchased, surrendered, and withheld shares shall thereafter be available for further Awards under the Plan; provided, however, that to the extent required by applicable law, any such shares that are surrendered to or repurchased or withheld by the Company in connection with any Award or that are otherwise forfeited after issuance shall not be available for purchase pursuant to incentive stock options intended to qualify under Code Section 422.

5. Participation. Participation in the Plan shall be open to those employees, officers, and directors of, and other individuals providing bona fide services to or for, the Company or any Affiliate, as may be selected by the Administrator from time to time. The Administrator may also grant Awards to individuals in connection with hiring, retention, or otherwise, prior to the date the individual first performs services for the Company or an Affiliate, provided that such Awards shall not become Vested prior to the date that the individual first commences performance of such services.

6. Awards. The Administrator, in its sole discretion, shall establish the terms of all Awards granted under the Plan. Awards may be granted individually or in tandem with other types of Awards. Each Award shall be evidenced by a Grant Agreement and each Award shall be subject to the terms and conditions provided in the applicable Grant Agreement, which terms and conditions may, without limitation, condition the Vesting of Awards on duration of service or the achievement of one or more Performance Goals. The Administrator may permit or require a recipient of an Award to defer such individual's receipt of the payment of cash or the delivery of Common Stock that would otherwise be due to such individual by virtue of the exercise of, payment of, or lapse or waiver of restrictions respecting, any Award. If any such deferral is required or permitted, the Administrator shall, in its sole discretion, establish rules and procedures for such deferral.

(a) Stock Options. The Administrator may from time to time grant to eligible Participants Awards of incentive stock options as that term is defined in Code Section 422 or non-qualified stock options; provided, however, that Awards of incentive stock options shall be limited to employees of the Company or of any current or hereafter existing "parent corporation" or "subsidiary corporation," as defined in Code Sections 424(e) and (f), respectively, of the Company. The exercise price of any option granted under the Plan shall not be less than the Fair Market Value of the shares of Common Stock underlying such option on the date of grant, provided, however, that an incentive stock option granted to a Ten-Percent Stockholder must have an exercise price at least equal to 110% of Fair Market Value as of the date of grant. No option granted under the Plan shall in any event be exercisable after the expiration of 10 years from the date such option is granted; provided, however, that no incentive stock option granted to a Ten-Percent Stockholder shall be exercisable after the expiration of five years from the date such incentive stock option is granted. No stock option shall be an incentive stock option unless so designated by the Administrator at the time of grant in the Grant Agreement evidencing such stock option.

(i) Special Rules for Incentive Stock Options. If the aggregate Fair Market Value, as of the date each such Option is granted, of the shares of Common Stock with respect to which incentive stock options are exercisable for the first time by a Participant during any calendar year (under all incentive stock option plans, as defined in Section 422 of the Code, of the Company,

or any Parent or Subsidiary), exceeds \$100,000 (or such other dollar limitation as may be provided in the Code with respect to such Options), those Options with respect to which such limitations are exceeded, as determined under the ordering rules set forth in the Code, shall be Options that are non-qualified stock options.

(b) Stock Appreciation Rights. The Administrator may from time to time grant to eligible Participants Awards of Stock Appreciation Rights (“SARs”). A SAR may be exercised in whole or in part as provided in the applicable Grant Agreement and shall entitle the grantee to receive, subject to the provisions of the Plan and the Grant Agreement, a payment having an aggregate value equal to the product of (i) the excess of (A) the Fair Market Value on the exercise date of one share of Common Stock over (B) the base price per share specified in the Grant Agreement, which shall not be less than the Fair Market Value of one share of Common Stock as of the date the SAR is granted, times (ii) the number of shares specified by the SAR, or portion thereof, that is exercised. Payment by the Company of the amount receivable upon any exercise of a SAR may be made by the delivery of Common Stock or cash, or any combination of Common Stock and cash, as specified in the Grant Agreement or as determined in the sole discretion of the Administrator. If upon settlement of the exercise of a SAR a grantee is to receive a portion of such payment in shares of Common Stock, the number of shares shall be determined by dividing such portion by the Fair Market Value of a share of Common Stock on the exercise date. No fractional shares shall be used for such payment and the Administrator shall determine whether cash shall be given in lieu of such fractional shares or whether such fractional shares shall be eliminated.

(c) Stock Awards; Restricted Stock Units.

(i) General. The Administrator may from time to time grant restricted or unrestricted shares of Common Stock (“Stock Awards”) to eligible Participants in such amounts, and for such consideration, including no consideration or such minimum consideration as may be required by law, as it shall determine. By action taken after the restricted Stock Award is issued, however, the Administrator may, on such terms and conditions as it may determine to be appropriate, remove any or all of the restrictions imposed by the terms of the Grant Agreement.

(ii) Voting; Dividends. Unless the Administrator determines otherwise, during the period that a Stock Award is subject to restrictions the grantee shall have the right to vote the shares included in the Stock Award and to receive any dividends or other distributions paid on such shares, subject to any restrictions included in the applicable Grant Agreement, including, without limitation, the achievement of specific Performance Goals.

(iii) Restricted Stock Units. In lieu of granting Stock Awards, the Administrator may grant restricted stock units entitling the recipient to receive shares of Common Stock to be delivered at the time such Awards Vest. An Award of a Restricted Stock Unit will not confer the voting rights set forth in Section 6(c)(ii) above.

(d) Phantom Stock. The Administrator may from time to time grant Awards to eligible Participants denominated in stock-equivalent units (“Phantom Stock”). Phantom Stock granted to a Participant shall be credited to a bookkeeping reserve account solely for accounting purposes and shall not require a segregation of any of the Company’s assets. An Award of Phantom Stock may be settled in Common Stock, in cash, or in a combination of

Common Stock and cash, as specified in the Grant Agreement. Except as otherwise provided in the applicable Grant Agreement, the grantee shall not have the rights of a stockholder with respect to any shares of Common Stock represented by a Phantom Stock Award solely as a result of the grant of a Phantom Stock Award to the grantee. In granting any such Phantom Stock Awards, the Administrator shall consider the potential application of Section 409A of the Code, and the applicable Grant Agreement shall include appropriate disclosure with respect to any such potential application.

(e) Performance Awards. The Administrator may, in its sole discretion, grant performance awards that become payable on account of attainment of one or more Performance Goals established by the Administrator. Performance awards may be paid by the delivery of Common Stock or cash, or any combination of Common Stock and cash, as specified in the Grant Agreement.

(f) Other Stock-Based Awards. The Administrator may from time to time grant other stock-based awards to eligible Participants in such amounts, on such terms and conditions, and for such consideration, including no consideration or such minimum consideration as may be required by law, as it shall determine. Other stock-based awards may be denominated in cash, in Common Stock or other securities, in stock-equivalent units, in stock appreciation units, in securities or debentures convertible into Common Stock, or in any combination of the foregoing and may be paid in Common Stock or other securities, in cash, or in a combination of Common Stock or other securities and cash, all as determined in the sole discretion of the Administrator as set forth in the Grant Agreement. In granting any such Awards, the Administrator shall consider the potential application of Section 409A of the Code, and the applicable Grant Agreement shall include appropriate disclosure with respect to any such potential application.

7. Dividend Equivalents. The Administrator may include in a Grant Agreement with respect to any grant of Phantom Stock or other equity awards a dividend equivalent right entitling the grantee to receive amounts equal to the ordinary dividends that would be paid, during the time the Phantom Stock or other equity award is outstanding, on the shares of Common Stock covered by the Phantom Stock or other equity award as if such shares were then outstanding (“Dividend Equivalents”). The Administrator shall determine whether Dividend Equivalents shall be paid currently or credited to a bookkeeping account as a dollar amount or in the form of Phantom Stock. The Administrator shall determine whether Dividend Equivalents shall be paid in cash, in shares of Common Stock, or in a combination thereof, whether they shall be conditioned upon the exercise, Vesting, or payment of the Phantom Stock to which they relate, and such other terms and conditions as the Administrator deems appropriate.

8. Right of Recapture. Unless otherwise provided in a Grant Agreement, if at any time within the one-year period after the date on which a grantee exercises an option or SAR, or on which a Stock Award, Phantom Stock, or other equity award Vests or is paid (each of which events is referred to as a “Realization Event”), the grantee (a) is terminated for Cause or (b) engages in any activity that constitutes Cause, the grantee shall be required, at the Company’s option, to pay to the Company any gain realized by the grantee from the Realization Event, upon notice from the Company. Such gain shall be determined as of the date of the Realization Event, without regard to any subsequent change in the Fair Market Value of the Common Stock. The Company shall have the right to offset such gain against any amounts otherwise owed to the

grantee by the Company (whether as wages, vacation pay, or pursuant to any benefit plan or other compensatory arrangement), to the extent permitted by applicable law and Section 409A of the Code.

9. Miscellaneous.

(a) Compliance with Securities Law. If at any time the Administrator determines that the delivery of Common Stock under the Plan is or may be unlawful under the laws of any applicable jurisdiction, or federal, state, or foreign securities laws, the right to exercise an Award or receive shares of Common Stock pursuant to an Award shall be suspended until the Administrator determines that such delivery is lawful. Nothing herein shall be deemed to require the Company to apply for or to obtain such listing, registration, or qualification, or to satisfy such condition.

The Company may require that a grantee, as a condition to exercise of an Award, and as a condition to the issuance of any shares of Common Stock or delivery of any stock certificate hereunder, make such written representations (including, without limitation, representations to the effect that such Common Stock is being acquired solely for investment and that such person will not dispose of the Common Stock so acquired in violation of Federal, state, or foreign securities laws) and furnish such information as may, in the opinion of counsel for the Company, be appropriate to permit the Company to issue the Common Stock in compliance with applicable federal, state, or foreign securities laws. Any stock certificates for any shares of Common Stock issued pursuant to the Plan may bear a legend, and any shares of Common Stock issued without certificates may contain a notation, restricting transferability of the shares of Common Stock unless such shares are registered or an exemption from registration is available under the Securities Act and applicable state or foreign securities laws.

(b) Withholding of Taxes. The Company, in its sole discretion, may take any actions that it deems to be necessary or advisable to comply with all tax reporting and withholding requirements applicable to Awards under applicable law, including, but not limited to, withholding or causing to be withheld from any form of compensation or other amount due a grantee such amounts as the Company determines is required to be withheld. Grantees and holders of Awards shall pay to the Company or an Affiliate, or make provision satisfactory to the Administrator for payment of, any taxes required to be withheld in respect of Awards under the Plan no later than the date of the event creating the tax liability. The Company or its Affiliate may, to the extent permitted by law, deduct any such tax obligations from any payment of any kind otherwise due to the grantee or holder of an Award. In the event that payment to the Company or an Affiliate of such tax obligations is made in shares of Common Stock, such shares shall be valued at Fair Market Value on the applicable date for such purposes and shall not exceed in amount the minimum statutory tax withholding obligation.

(c) Loans. To the extent otherwise permitted by law, the Company or its Affiliate may make loans to grantees to assist grantees in exercising Awards and satisfying any withholding tax obligations.

(d) Transferability. Except as otherwise determined by the Administrator or provided in a Grant Agreement, and in any event in the case of an incentive stock option or a stock

appreciation right granted with respect to an incentive stock option, no Award granted under the Plan shall be transferable by a grantee otherwise than by will or the laws of descent and distribution or pursuant to the terms of a “qualified domestic relations order” (within the meaning of Section 414(p) of the Code and the regulations and rulings thereunder). Unless otherwise determined by the Administrator in accord with the provisions of the immediately preceding sentence, an Award may be exercised, during the lifetime of the grantee, only by the grantee or, during the period the grantee is under a legal disability, by the grantee’s guardian or legal representative.

(e) Adjustments for Corporate Transactions and Other Events.

(i) Capital Adjustments. In the event of any change in the outstanding Common Stock by reason of any stock dividend, spin-off, stock split, reverse stock split, split-up, recapitalization, reclassification, reorganization, combination or exchange of shares, merger, consolidation, liquidation, business combination, exchange of shares, or the like, other than any such change that is part of a transaction resulting in a Change of Control, then (A) the maximum number of shares of such Common Stock as to which Awards may be granted under the Plan, and (B) the number of shares covered by and the exercise price and other terms of outstanding Awards, shall, without further action of the Board, be appropriately adjusted to reflect such event, unless, with respect to Section 9(e)(i)(A) only, the Board determines, at the time it approves such action, that no such adjustment shall be made. The Administrator may make adjustments, in its sole discretion, to address the treatment of fractional shares and fractional cents that arise with respect to outstanding Awards as a result of the stock dividend, stock split, or reverse stock split. Any adjustments to outstanding Awards shall be consistent with Section 409A or 424 of the Code, to the extent applicable. Any adjustments determined by the Administrator shall be final, binding, and conclusive.

(ii) Change of Control Transactions. Except as otherwise provided in the Grant Agreement, in the event of a Change of Control, then all Awards shall immediately Vest as of the date of the closing of such transaction, unless the Administrator elects to Vest the Awards as of an earlier date. Notwithstanding the immediately preceding sentence, if the surviving, successor, or acquiring entity in the transaction (or its Parent) agrees to replace Awards with rights to its equity securities that confer substantially the same benefits as those represented by the Awards, as determined by the Administrator, then the Awards shall not Vest but shall be so replaced. The Administrator shall notify each grantee in writing of any action to Vest or replace Awards hereunder not less than 20 days prior to the expected closing date of the transaction that prompts such action. Vested Awards that are not exercised by a grantee at the time of closing of the Change of Control shall be settled, at the election of the Administrator, either in cash or for the consideration provided to holders of Common Stock in the Change of Control transaction, based on what the grantee would have received if he or she had in fact exercised the Award, with such adjustments as may be required to account for any consideration that the grantee is required to pay on exercise. If the acceleration or Vesting of an Award or Awards pursuant to this Section 9(e)(ii) would cause any portion of the Award or Awards to be treated as a “parachute payment” (as defined in Section 280G of the Code), then except as may be expressly provided in the applicable Grant Agreement such Award or Awards shall Vest only to the extent that such acceleration of Vesting does not cause any portion of the Award or Awards to be so treated. In addition, and notwithstanding any provision of any Grant Agreement, payments in respect of Awards are subject

to and conditioned upon compliance with 12 U.S.C. Section 1828(k) and 12 C.F.R. Part 359, Golden Parachute and Indemnification Payments.

(iii) Unusual or Nonrecurring Events. The Administrator is authorized to make, in its sole discretion and without the consent of holders of Awards, adjustments in the terms and conditions of, and the criteria included in, Awards in recognition of unusual or nonrecurring events affecting the Company, or the financial statements of the Company or any Affiliate, or of changes in applicable laws, regulations, or accounting principles, whenever the Administrator determines that such adjustments are appropriate in order to prevent dilution or enlargement of the benefits or potential benefits intended to be made available under the Plan; provided, however, that except as expressly provided in the Grant Agreement, no such adjustment shall materially adversely affect an outstanding Award without the consent of the grantee.

(f) Substitution of Awards in Mergers and Acquisitions. Awards may be granted under the Plan from time to time in substitution for awards held by employees, officers, consultants, or directors of entities who become or are about to become employees, officers, consultants, or directors of the Company or an Affiliate as the result of a merger or consolidation of the employing entity with the Company or an Affiliate, or the acquisition by the Company or an Affiliate of the assets or equity securities of the employing entity. The terms and conditions of any substitute Awards so granted may vary from the terms and conditions set forth herein to the extent that the Administrator deems appropriate at the time of grant to conform the substitute Awards to the provisions of the awards for which they are substituted.

(g) Termination, Amendment, and Modification of the Plan. The Board may terminate, amend, or modify the Plan or any portion thereof at any time, but no amendment or modification shall be made that would impair the rights of any grantee under any Award theretofore made without his or her consent. Notwithstanding anything to the contrary contained in the Plan, the Board may not amend or modify the Plan or any portion thereof without stockholder approval where such approval is required by applicable law or by the rules of any securities exchange or quotation system on which the Common Stock is listed or traded. Furthermore, notwithstanding anything to the contrary contained in the Plan, the Administrator may not amend or modify any Award if such amendment or modification would require the approval of the stockholders if the amendment or modification were made to the Plan.

(h) Non-Guarantee of Employment or Service. Nothing in the Plan shall entitle any Employee or other person to any claim or right to be granted an Award under the Plan. Nothing in the Plan or in any Grant Agreement thereunder shall confer any right on an individual to continue in the service of the Company or an Affiliate or shall interfere in any way with the right of the Company or an Affiliate to terminate such service at any time with or without cause or notice and whether or not such termination results in: (i) the failure of any Award to Vest; (ii) the forfeiture of any unVested or Vested portion of any Award; and/or (iii) any other adverse effect on the individual's interests under the Plan.

(i) No Trust or Fund Created. The Plan shall be unfunded. Neither the Plan nor any Award shall create or be construed to create a trust or separate fund of any kind or a fiduciary relationship between the Company and a grantee or any other person. To the extent that any grantee or other person acquires a right to receive payments from the Company pursuant to an

Award, such right shall be no greater than the right of any unsecured general creditor of the Company.

(j) Governing Law. The validity, construction, and effect of the Plan, of Grant Agreements entered into pursuant to the Plan, and of any rules, regulations, determinations, or decisions made by the Administrator relating to the Plan or such Grant Agreements, and the rights of any and all persons having or claiming to have any interest therein or thereunder, shall be determined exclusively in accordance with applicable federal laws and the laws of the State of Maryland without regard to its conflict of laws principles. Any suit with respect to the Plan shall be brought in the federal or state courts in the districts which include the city and state in which the principal offices of the Company are located.

(k) Effective Date; Termination Date. The Plan is effective as of the date approved by the Company's stockholders and shall terminate 10 years after such stockholder approval, unless earlier terminated pursuant to Section 9(g) hereof. No Award shall be granted under the Plan after the close of business on the day immediately preceding the 10th anniversary of the effective date of the Plan, and no Award under the Plan shall have a term of more than 10 years. Subject to other applicable provisions of the Plan, all Awards made under the Plan prior to such termination of the Plan shall remain in effect until such Awards expire or have been satisfied or terminated in accordance with the Plan and the terms of such Awards; provided, however, that no Award that contemplates exercise or conversion may be exercised or converted, and no Award that defers Vesting, shall remain outstanding and unexercised, unconverted, or unVested, in each case, for more than 10 years after the date such Award was initially granted.

(l) Regulatory Restrictions. The Plan and the Company's obligations under the Plan and any Grant Agreement shall be subject to all applicable federal and state laws, rules, and regulations, and to such approvals by any regulatory or governmental agency as may be required. Without limiting the generality of the foregoing, (i) the Company shall not be required to sell or issue any shares of Common Stock pursuant to any Award if the sale or issuance of such shares would constitute a violation by the individual exercising the Award or the Company of any provision of any law or regulation of any governmental authority, including without limitation any federal or state securities laws or regulations, and (ii) the inability of the Company to obtain any necessary authority from any regulatory body having jurisdiction, which authority is deemed by the Company's counsel to be necessary to the lawful exercise or payment of any Award hereunder, shall relieve the Company of any liability in respect of the exercise or payment of such Award to the extent such requisite authority shall have been deemed necessary and shall not have been obtained.

(m) Code Section 409A. The provisions of the Plan are intended to comply with Section 409A of the Code, U.S. Treasury regulations issued thereunder, and related U.S. Internal Revenue Service guidance ("409A Rules"). Such provisions will be interpreted and applied in a manner consistent with the 409A Rules so that payments and benefits provided to any Employee hereunder will not, to the greatest extent possible, be subject to taxation under such Section 409A. Notwithstanding any contrary provisions hereof, the Plan may be amended if and to the extent Company determines that such amendment is necessary to comply with the 409A Rules. Notwithstanding anything in the Plan or any Grant Agreement to the contrary, each grantee shall

be solely responsible for the tax consequences of Awards under the Plan, and in no event shall the Company have any responsibility or liability if any Award does not meet the applicable requirements of Section 409A of the Code. Although the Company intends to administer the Plan to prevent taxation under Section 409A of the Code, the Company does not represent or warrant that the Plan or any Award complies with any provision of federal, state, local, or other tax law.

(n) Applicable Policies. All Awards under the Plan shall be subject to any applicable clawback or recoupment policies, insider trading policies, and any other policies implemented by the Board or the Board of Directors of an applicable Affiliate, as in effect from time to time.

(o) Other Agreements. As a condition precedent to the grant of any Award under the Plan, the exercise of any such Award, or the delivery of certificates for shares of Common Stock issued pursuant to the exercise of any such Award, the Administrator may require the grantee or the grantee's successor or permitted transferee, as the case may be, to become a party to a stock restriction agreement, stockholders' agreement, voting trust agreement, or other agreements regarding the Common Stock in such form(s) as the Administrator may determine from time to time.

PLAN APPROVAL:

Date Approved by the Board: _____, 2020

Date Approved by the Stockholders: _____, 2020

**ANNUAL MEETING OF STOCKHOLDERS OF
COMMUNITY HERITAGE FINANCIAL, INC.**

October 16, 2020

Please sign, date and mail
your proxy card in the
envelope provided as soon
as possible.

↓ Please detach along perforated line and mail in the envelope provided. ↓

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**THE BOARD OF DIRECTORS RECOMMENDS THAT STOCKHOLDERS VOTE "FOR" EACH OF THE LISTED NOMINEES AND "FOR" EACH OF THE OTHER PROPOSALS.
PLEASE SIGN, DATE AND RETURN PROMPTLY IN THE ENCLOSED ENVELOPE. PLEASE MARK YOUR VOTE IN BLUE OR BLACK INK AS SHOWN HERE**

1. The election of three directors to serve in Class Two for a term of three years and until their successors are duly elected and qualified:

FOR ALL NOMINEES

NOMINEES:

- James G. Pierre Class 2 director
- A. Dennis Remsburg Class 2 director
- Todd M. Snook Class 2 director

WITHHOLD AUTHORITY FOR ALL NOMINEES

FOR ALL EXCEPT (See instructions below)

INSTRUCTIONS: To withhold authority to vote for any individual nominee(s), mark "FOR ALL EXCEPT" and fill in the circle next to each nominee you wish to withhold, as shown here: ●

To change the address on your account, please check the box at right and indicate your new address in the address space above. Please note that changes to the registered name(s) on the account may not be submitted via this method.

2. Ratification of the appointment of Yount, Hyde & Barbour, P.C. as independent public accountants to audit the financial statements of the Company for the fiscal year ending December 31, 2020.

FOR AGAINST ABSTAIN

3. Approval of an Amendment and Restatement of the Company's Articles of Incorporation that will effect the proposed amendments to the Articles of Incorporation set forth in Proposals 3A, 3B, and 3C below, to the extent each such Proposal is approved by stockholders.

3A. Approval of an amendment to the Company's Articles of Incorporation to increase the number of authorized shares of the Company's capital stock from 5,000,000 shares to 11,000,000 shares, designated as 10,000,000 shares of common stock and 1,000,000 shares of preferred stock.

3B. Approval of an amendment to the Company's Articles of Incorporation to permit the Company's Board of Directors to make changes in the number of authorized shares of the Company's capital stock without additional approval from stockholders.

3C. Approval of an amendment to the Company's Articles of Incorporation to decrease the vote required for mergers, consolidations, asset sales, exchange offers, dissolution, or liquidation to holders of a majority of the shares of the capital stock entitled to vote thereon when such transactions are approved by two-thirds of the Company's directors.

4. Approval of the Community Heritage Financial, Inc. 2020 Equity Incentive Plan.

YOUR VOTE IS IMPORTANT REGARDLESS OF THE NUMBER OF SHARES THAT YOU OWN

MARK "X" HERE IF YOU PLAN TO ATTEND THE MEETING.

Signature of Stockholder

Date:

Signature of Stockholder

Date:

Note: Please sign exactly as your name or names appear on this Proxy. When shares are held jointly, each holder should sign. When signing as executor, administrator, attorney, trustee or guardian, please give full title as such. If the signer is a corporation, please sign full corporate name by duly authorized officer, giving full title as such. If signer is a partnership, please sign in partnership name by authorized person.

□ ■

REVOCABLE PROXY – COMMUNITY HERITAGE FINANCIAL, INC.

Annual Meeting of Stockholders, Friday, October 16, 2020 at 9:00 a.m., Eastern Time

THIS PROXY IS SOLICITED BY THE BOARD OF DIRECTORS

The undersigned hereby appoints J. Thomas Routzahn, Jr. and John J. Rudy, each with full powers of substitution, to act as proxies for the undersigned and to vote all shares of common stock of Community Heritage Financial, Inc. (the “Company”) that the undersigned is entitled to vote only at the annual meeting of stockholders (the “Annual Meeting”) to be held at Beaver Creek Country Club, 9535 Mapleville Road, Hagerstown, Maryland, on Friday, October 16, 2020 at 9:00 a.m., Eastern Time, and at any and all adjournments thereof, with all of the powers the undersigned would possess if personally present at the Annual Meeting, as follows:

This proxy, properly signed and dated, will be voted as directed, but if no instructions are specified, it will be voted “FOR” the nominees listed and “FOR” each of the other proposals set forth above. If any other business is presented at the Annual Meeting, including whether or not to adjourn the meeting, this proxy will be voted by the designated proxies in their best judgment. Presently, the Board of Directors knows of no other business to be presented at the Annual Meeting. This proxy also confers discretionary authority on the designated proxies to vote with respect to the election of any person as director where the nominees are unable to serve or for good cause will not serve and matters incident to the conduct of the Annual Meeting.

This proxy is solicited by Community Heritage Financial, Inc. Board of Directors. The undersigned acknowledges receipt of the Notice of Annual Meeting of Stockholders and Proxy Statement with respect to the Annual Meeting.

(Continued and to be signed on the reverse side.)