

INVESTAR HOLDING CORPORATION
COMPENSATION COMMITTEE CHARTER

(as of December 18, 2013)

Purpose

The Compensation Committee (the “Committee”) of the Board of Directors (the “Board”) of Investar Holding Corporation (“Investar”) has been established:

- to assist the Board in fulfilling its oversight responsibilities relating to compensation of executives and directors;
- to oversee the compensation and employee benefit plans and practices of Investar, including its incentive compensation and equity-based compensation plans, in a manner that is consistent with sound incentive compensation and risk management practices;
- to review and provide guidance on human resource programs related to the workplace, including best place to work initiatives;
- to oversee management continuity planning; and
- to the extent required by law, to review and approve any disclosures or reports related to compensation practices that are required to be included in Investar’s annual proxy statement or annual report on Form 10-K.

Membership

The Committee shall consist of at least three members as determined from time to time by the Board. The Board shall appoint members of the Committee upon consideration of the recommendation of the Nominating and Governance Committee, who shall serve at the pleasure of, and may be removed at any time (with or without cause) by, the Board. The Board shall fill any vacancy on the Committee. Any director serving on the Committee shall automatically cease to be a member of the Committee at the time that he or she ceases to be a director. Unless a Chair is appointed by the full Board, the members of the Committee shall designate a Chair by majority vote of the full Committee. The Chair shall be responsible for the leadership of the Committee, including presiding over meetings and making regular reports to the Board.

Each member of the Committee must meet the independence and other requirements arising pursuant to applicable federal securities laws and the rules and regulations promulgated by the Securities and Exchange Commission thereunder (the “SEC Regulations”), the listing rules of The NASDAQ Stock Market LLC as in effect from time to time (the “Nasdaq listing rules”) and such other laws and regulations as may be applicable to Investar. In addition, no director may serve on the Committee unless he or she (1) is a “nonemployee director” for purposes of Rule 16b-3 under the Securities Exchange Act of 1934, as amended (the “Exchange Act”), and (2) satisfies the requirements of an “outside director” for purposes of Section 162(m) of the Internal Revenue Code of 1986, as amended (the “Code”). The Board shall determine, at least annually, the eligibility of the Committee’s members.

Structure and Meetings

The Committee shall meet as often as it deems appropriate, but no less than twice per calendar year, and at such times and places as the Chair may determine. The Chair shall ensure that the agenda for each meeting is circulated to each Committee member in advance of the meeting. In the event the Chair is not present at the meeting, the other members present at that meeting shall designate an acting chair for such meeting. The Committee shall be governed by the same rules regarding meetings, actions without meetings, notice, waiver of notice, quorum and voting requirements as applicable to the Board under the Restated Articles of Incorporation of Investar, as amended (the "Articles"), the Bylaws of Investar, as amended (the "Bylaws"), and applicable laws and regulations. The Committee shall keep regular minutes and records relating to its meetings and shall report regularly to the Board on its activities, as appropriate.

The Committee may invite any director, officer or employee of Investar or Investar Bank, and such other persons as it deems appropriate, to attend its meetings (or portions thereof) or to meet with or provide relevant information to any members of, or consultants to, the Committee. The Chair is responsible for deciding who may or may not attend meetings of the Committee (or portions thereof).

Duties and Responsibilities

The Committee has the following duties and responsibilities:

1. The Committee shall oversee and evaluate overall human resources and compensation structure, policies and programs and assess whether these establish appropriate incentives and leadership development opportunities for management and other employees. The Committee shall oversee any program of Investar intended to attract and retain key talent and promote the best place to work initiative.
2. The Committee shall review senior management selection and, together with the Chief Executive Officer, oversee executive succession planning. As part of this process, the Committee shall review the leadership development process for senior management positions. The Committee also shall review compensation, incentive and other programs to promote such development.
3. The Committee shall develop corporate goals and objectives relevant to the compensation of the Chief Executive Officer and evaluate annually the performance of the Chief Executive Officer in light of those goals and objectives. Based on this evaluation, the Committee shall determine and approve the compensation level of the Chief Executive Officer, including, without limitation, salary, bonus, stock options, other stock incentive awards and/or long-term cash incentive awards. The Committee shall also review and approve on an annual basis the evaluation process and compensation structure for Investar's other executive officers. In addition, the Committee, in its discretion, may review and act upon management proposals to designate incentive-based compensation awards to any employee.
4. The Committee shall review, approve and make recommendations to the Board with respect to all employment agreements, severance or termination agreements, change in control agreements and similar agreements proposed to be entered into between any senior executive officer and Investar.
5. The Committee shall review and discuss with management any disclosures and reports related to compensation practices that are required to be included under SEC Regulations in Investar's annual proxy statement or annual report on Form 10-K and, based on these

discussions, shall make recommendations to the Board regarding the inclusion of these disclosures in such proxy statement or annual report. The Committee shall also review Investar's procedures and controls for the preparation of these disclosures and recommend any appropriate changes to the Board.

6. The Committee shall oversee the development and operation of Investar's incentive compensation policies, systems, and related control processes. The Committee shall review and approve the overall goals and purposes of the incentive compensation system and regularly monitor and evaluate the risk management elements in order to confirm all programs are balanced relative to risk and reward.
7. The Committee shall review, approve and administer Investar Bank's incentive compensation and equity-based plans and recommend changes in such plans to the Board as needed. The Committee shall perform such duties and responsibilities as may be assigned to the Committee under the terms of any such plan.
8. The Committee shall monitor the effectiveness of non-equity based benefit plan offerings, in particular benefit plan offerings and perquisites, and approve any material new employee benefit plan or change to an existing plan that creates a material financial commitment by Investar. In its discretion, the Committee may otherwise approve, amend, modify, ratify or interpret the terms of, or terminate, any non-equity based benefit plan or delegate such authority to the extent set forth herein.
9. The Committee shall oversee Investar's compliance with SEC Regulations regarding shareholder approval of certain executive compensation matters (to the extent applicable), including advisory votes on executive compensation and the frequency of such votes, and the requirement under the Nasdaq listing rules that, subject to the exceptions set forth therein, shareholders approve equity compensation plans.
10. The Committee shall monitor the effectiveness of workforce management programs that are broad in scope. The Committee also shall periodically review reports in order to monitor workforce diversity and equal employment opportunity issues.
11. The Committee shall review director compensation levels and practices and recommend, from time to time, changes in such compensation levels and practices to the Board.

Other Activities

The Committee shall perform any other activities consistent with this Charter, the Articles, the Bylaws, applicable SEC Regulations, Nasdaq listing rules and other laws and regulations, as the Committee or the Board deems necessary or appropriate.

Role of Chief Executive Officer

Although the Chief Executive Officer may not serve as a member of the Committee, the Chief Executive Officer may make, and the Committee may consider, recommendations to the Committee regarding the compensation and employee benefit plans and practices of Investar, including, without limitation, its executive compensation plans, its incentive compensation and equity-based plans with respect to senior executives, other than the Chief Executive Officer, to the extent Investar is subject to the provisions of Section 162(m) of the Code, "covered employees" and the director compensation

arrangements for Investar. The Chief Executive Officer may not be present during voting or deliberations on his or her compensation.

Delegation of Authority

In fulfilling its responsibilities, the Committee may delegate any or all of its responsibilities to one or more subcommittees consisting of one or more members, as determined by the Committee; provided, however, that the Committee may not delegate any power or authority required by applicable law, regulation or the Nasdaq listing rules to be exercised by the Committee as a whole. The Committee may delegate authority to the Chief Executive Officer, Chief Compliance Officer and/or Director of Human Resources to administer Investar's compensation and employee benefits plans to the extent permissible under the plans and applicable laws and regulations.

Performance Review

The Committee shall evaluate its performance on an annual basis. In conducting this review, the Committee shall evaluate the adequacy of the scope of this Charter and recommend to the Board any changes that it deems necessary or appropriate. The Committee shall also address all matters that the Committee considers relevant to its performance, including the adequacy, appropriateness and quality of information and recommendations presented by the Committee to the Board, the manner in which they were discussed or debated, and whether the meetings of the Committee during such year, and the resources available to the Committee, were adequate for the Committee to complete its work in a thorough and thoughtful manner. The Committee shall deliver to the Board a report, which may be oral, setting forth the results of its evaluation, including any recommended changes to this Charter or Investar's or the Board's policies and procedures.

Access and Resources

The Committee may conduct or authorize investigations into or studies of matters within the Committee's scope of responsibilities with full access to all books, records, facilities and personnel of Investar and its subsidiaries. The Committee shall have all resources and authority appropriate to discharge its duties and responsibilities, including the authority to select, retain and approve the fees and other retention terms of such special or independent counsel, accountants or other experts or advisors, including compensation consultants (each, an "Advisor"), as the Committee deems appropriate to carry out its duties. Investar shall provide appropriate funding, as determined by the Committee, for payment of the fees and other expenses of any Advisors employed by the Committee.

The Committee shall be directly responsible for the appointment, compensation and oversight of the work of any Advisor it retains, and it shall have sole authority to approve the Adviser's fees and the other terms and conditions of the Advisor's retention. As and to the extent required by the Nasdaq listing rules, the Committee may select or receive advice from an Advisor only after taking into consideration the factors relevant to the Advisor's independence from Investar management set forth in the Nasdaq listing rules. Although the Committee is required to consider such factors, it is free to select or receive advice from an Advisor that is not independent. To ensure the independence of any compensation consultant or other Advisor retained by the Committee, the Committee may preapprove all services performed by such Advisor for Investar in connection with the foregoing.

Disclosure of Charter

This Charter shall be made available as required by applicable SEC Regulations, Nasdaq listing rules or other laws and regulations.