



BLUE PINE
P A R T N E R S L L C

June 21, 2017

Dear Commonwealth Board Members,

As long time shareholders of the bank, we are concerned about excessive board director compensation as documented in the proxy for 2016. Average board member compensation paid in 2016 was \$206,000, and even adjusted for one time equity awards, is significantly higher than the average for comparably sized community banks nationwide. In a recent search performed on Bloomberg, average director compensation in 2016 for publicly traded banks between \$500 million and \$1.5 billion in assets was \$44,000. Even if one were to exclude the payments for private clubs and other perks, the financial compensation granted to Commonwealth's board of directors exceeds what is the norm, and potentially creates financial misalignment between the board of directors and shareholders. We encourage other shareholders to review the proxy and address their concerns with Commonwealth board members.

Sincerely,

Josiah Hornblower
Managing Partner, Blue Pine Partners, LLC

Peter B. Bortel
General Partner
Tiburon Opportunity Fund