

**CapStar Financial Holdings, Inc.
and CapStar Bank
Nashville, Tennessee**

**Charter of the Compensation and Human Resources Committee
of the Boards of Directors**

I. Purpose

The Compensation and Human Resources Committee (the “Committee”) is appointed by the Boards of Directors (collectively, the “Boards”) of CapStar Financial Holdings, Inc. (“Holdings”) and CapStar Bank (the “Bank” and, collectively with Holdings, the “Company”) to:

Discharge the Boards’ responsibilities relating to its oversight of executive compensation and the Company’s qualified and nonqualified employee benefit plans.

The Committee shall ensure that the Company’s total compensation package for the Chief Executive Officer (“CEO”), all other Executive Officers (as defined below) and certain other key senior officers will serve to:

1. Attract, retain and motivate outstanding management staff who add value to the Company based on individual and team contributions.
2. Provide a highly competitive base salary structure in all markets where the Company operates:
3. Clearly align annual variable pay opportunities to attainment of pre-defined performance measures that yield superior results; and
4. Facilitate employee ownership through equity components of performance-based, long-term incentive stock plans that enhance shareholder value.

II. Committee Membership

The Committee shall consist of a minimum of three (3) Directors. The members of the Committee shall be appointed and may be removed by the Boards on the recommendation of the Committee; the Boards may consider the Committee’s nonbinding recommendations. The Boards shall designate the chairperson of the Committee.

Each Committee member shall, to the extent required by a stock exchange on which the stock of Holdings is listed, meet the independence and other requirements for serving on compensation committees as set forth in the applicable rules of such exchange. In the event that any member of the Committee does not qualify as a “non-employee director” for purposes of Rule 16b-3 under the Securities Exchange Act of 1934, as amended (the “Exchange Act”), such member may continue to serve on the Committee so long as (i) the Board of Holdings approve all equity-based awards and compensatory equity grants made by Holdings in accordance with Rule 16b-3 under the Exchange Act or (ii) any such member who does not qualify as a “non-employee director” for purposes of Rule 16b-3 under the Exchange Act abstains and recuses himself or herself from the approval of any equity-based awards and compensatory equity grants made by the Holdings in accordance with Rule 16b-3 under the

Exchange Act (with a subcommittee consisting solely of two or more “non-employee directors” approving such awards and grants). In addition, at least two members of the Committee shall each qualify as “outside directors” within the meaning of Section 162(m) of the Internal Revenue Code of 1986, as amended (the “Internal Revenue Code”). Only a subcommittee consisting solely of two or more members of the Committee who qualify as outside directors shall participate in discussions regarding or approve awards that are intended to qualify as performance-based compensation within the meaning of Section 162(m) of the Internal Revenue Code. Determinations as to whether a particular director satisfies the requirements for membership on the Committee shall be made by the Boards.

The Boards will designate one member of the Committee to serve as its Chair. The Chair shall be responsible for leadership of the Committee, including scheduling and presiding over meetings, preparing agendas and making regular reports to the Boards.

III. Meetings, Structure and Operations

The Committee shall meet a minimum of three times each year and additionally as the Committee deems necessary. Meetings will be held in person, or telephonically, at a time and place determined by the Committee Chair. The Committee Chair or a majority of the Committee members may call a meeting at any time in addition to any regularly scheduled meetings. The Committee should, as often as it determines is necessary, reasonable or appropriate, meet with the executive officers of the Company and other members of management in separate executive sessions to discuss any matters that the Committee or any of these persons believe should be discussed privately, subject to Article II above.

Actions may be taken by unanimous written consent when deemed necessary or desirable by the Committee or its Chair. The Committee shall designate a Committee Secretary who shall be responsible for taking minutes of each Committee meeting and for retention of all Committee minutes. The Committee shall report to the Boards on significant actions taken by the Committee. Certain actions by the Committee may be similarly reported to the Boards for approval, ratification and/or confirmation. All meetings of and other actions by the Committee shall be held or otherwise taken pursuant to the Company’s Bylaws, including with respect to actions without meetings, notice of meetings and waiver of notice, quorums and voting requirements. The Committee may set its own rules of procedure and may delegate authority to subcommittees of its members. The Committee may also delegate to the CEO the authority to make, within the framework of the Committee’s compensation philosophy or objectives that it has adopted from time to time, compensation decisions with respect to non-executive employees of the Company. Such delegation may include the authority to make equity incentive awards to such non-executive employees pursuant to the equity incentive arrangements that have been duly adopted by the Company.

IV. Committee Authority and Responsibilities

The following are the duties and responsibilities of the Committee, which may be supplemented from time to time by the Boards:

1. Review and approve compensation arrangements with the CEO (without the presence of the CEO during voting or related deliberations) and each of the other executive officers of the Company, including without limitation, to the extent applicable, each officer of the Company

who is a “named executive officer” as defined in Item 402 of Regulation S-K or who is an “officer” for purposes of Section 16 of the Exchange Act, and for such other senior officers of the Company as the Committee deems appropriate (collectively, the “Executive Officers”), including:

- a) annual base salary level;
 - b) bonus and other annual incentives;
 - c) options, equity grants, supplemental executive retirement plans and other long-term incentives;
 - d) employment agreements, offer letters, term sheets, retention agreements, severance/separation/release arrangements, and change in control provisions/agreements, and/or relocation agreements, and any amendments, supplements and policy modifications thereto, in each case to the extent applicable;
 - e) any other perquisites or supplemental benefits, other than those available generally to salaried employees;
 - f) any other employment, compensation, or benefit related-terms; and
 - g) any amendments, supplements or modifications to any of the foregoing clauses (i) through (vi);
2. Review and advise the CEO with respect to compensation, including equity and non-equity incentives for key non-executive management employees of the Company;
 3. Make recommendations to the Boards regarding the Company’s overall equity-based incentive compensation programs;
 4. Approve, adopt, amend and/or terminate any of the Company’s employee incentive plans.
 5. Administer and grant awards under the Company’s equity-based incentive plans and non-equity-based incentive plans;
 6. Administer a performance review process for the CEO and other executive officers;
 7. Review and advise the CEO with respect to a review process for key non-executive management team members;
 8. With the CEO, oversee a key non-executive management development program;
 9. In collaboration with the Nominating, Governance and Community Affairs Committee, periodically review the succession plan for the CEO and other Executive Officers as appropriate;
 10. In consultation with the CEO:
 - a. Structure the Company’s executive compensations programs to provide maximum tax deductions for Executive Officers while retaining the discretion to pay compensation in excess of the limit imposed by Section 162(m) of the Internal Revenue Code;
 - b. Make grants and awards that are not performance-based within the meaning of said Section 162(m), including annual bonuses paid under the Executive Compensation Plan; and

- c. Determine the extent to which fixed performance goals have been satisfied, in whole or in part, and the amount of the award or allocation that is free of restriction based upon the satisfaction of the goals;
11. Administer the Company's directors' compensation plans; review and evaluate on at least a bi-annual basis the overall compensation for directors, including the appropriate mix of cash versus equity-based compensation; make recommendations to the Boards for approval regarding any proposed changes in director compensation;
12. Review, approve and recommend to the Boards the election of any Executive Vice President or higher level office;
13. In consultation with the CEO, review and evaluate market information and management recommendation of annual merit salary increase pool; approve final annual merit salary increase budget;
14. Review, make policy recommendations with respect to and oversee the administration of other material employee benefit plans for the Company, including qualified and nonqualified benefit plans such as pension and 401(k) plans, deferred compensation plans, welfare plans and such other plans as the Committee may deem advisable and appropriate; at the discretion of the Committee, delegate authority, daily administration and decision making to appropriate members of management;
15. Review and approve the CapStar Total Compensation Philosophy on an annual basis;
16. Annually review and approve corporate goals and objectives relevant to the compensation of the CEO and the Executive Officers, evaluate the performance of the CEO and the Executive Officers in light of those goals and objectives, and approve, or recommend to the independent directors the approval of, the compensation levels for the CEO and the Executive Officers based on this evaluation (the Committee shall annually review incentive compensation arrangements to confirm that incentive pay arrangements do not encourage unnecessary risk-taking and report the results thereof to the Boards, and, in determining the long-term incentive component of Executive Officer compensation, the Committee will consider the Company's performance and relative shareholder return, the value of similar incentive awards to Executive Officers at comparable companies and the awards given to the CEO and Executive Officers in past years).
17. When so required by federal securities law (as a publicly traded company), produce an executive compensation report for inclusion in the Company's proxy statement for its annual shareholders meeting as the "Compensation Committee Report." The Committee shall review and discuss with the Company's management the "Compensation Discussion and Analysis," as and if required by SEC rules and regulations to be included in Holdings' proxy statement and Annual Report on Form 10-K, and determine whether to recommend to the Boards that the "Compensation Discussion and Analysis" be included in Holdings' proxy statement and Annual Report on Form 10-K;
18. Prepare and review with the Boards an annual performance evaluation and assessment of Committee activities relative to its duties and responsibilities as detailed in the Committee Charter. The report may be in any form designated by the Committee;
19. Review and reassess the adequacy of this Charter at least annually and recommend changes as necessary and submit the Charter to the Boards for approval;

20. Perform any other duties and responsibilities consistent with this Charter, the Company's Bylaws and governing law as the Boards shall expressly delegate to the Committee.

V. Resources and Authority

The Committee shall have the authority, in its sole discretion, to select, retain and obtain the advice of and terminate the services of one or more compensation consultants, independent legal counsel or other advisers (each, an "Adviser") as it determines necessary to fulfill or assist with the execution of its duties and responsibilities. The Committee shall be directly responsible for the appointment, compensation and oversight of the work of any Adviser retained by the Committee and shall evaluate whether any Adviser that is a compensation consultant retained or to be retained by the Committee has any conflict of interest requiring disclosure in accordance with SEC rules and regulations. The Committee may select an Adviser only after taking into consideration all factors relevant to such Adviser's independence from management of the Company, including any and all applicable factors set forth in SEC rules and regulations and applicable rules of any exchange on which the stock of Holdings may be listed. Notwithstanding the foregoing, the Committee may select or obtain advice from any Adviser it prefers, including Advisers that are not independent, provided that it has considered any and all applicable independence factors before selecting or obtaining advice from the Adviser. Further, the Committee is not required to assess the independence of any Adviser that acts in a role limited to (a) consulting on any broad-based plan that does not discriminate in scope, terms or operation in favor of Executive Officers or directors of the Company and that is generally available to all salaried employees or (b) providing information that is not customized for the Company or that is customized based on parameters that are not developed by the Adviser, and about which the Adviser does not provide advice. The Company shall provide appropriate funding for the Committee, as determined by the Committee, for the payment of reasonable compensation to any Adviser retained by the Committee. Notwithstanding anything herein to the contrary, the Committee shall not be required to implement or act consistently with the advice or recommendations of any Adviser, and the authority granted in this Charter shall not affect the ability or obligation of the Committee to exercise its own judgment in the fulfillment of its duties under this Charter.