

HV BANCORP, INC.
HUNTINGDON VALLEY BANK
AUDIT COMMITTEE CHARTER
DATE OF CHARTER: DECEMBER 21, 2016

AUDIT COMMITTEE MISSION

The Boards of Directors (the “Board”) of HV Bancorp, Inc. and Huntingdon Valley Bank (the “Bank”)(collectively, the “Company”) has established an Audit Committee (the “Committee”) and have adopted this Audit Committee Charter to govern the Committee’s operation.

The Committee is designated by the Board to oversee the audit affairs of the Company and to perform such specific audit function reviews as may be determined by the Committee.

AUDIT COMMITTEE ORGANIZATION

The Audit Committee shall be comprised of three or more directors as determined by the Board, each of whom shall be an independent director (as defined by applicable laws and rules, including Section 10A(m)(3) of the Securities Exchange Act of 1934, Securities and Exchange Commission (“SEC”) Rule 10A-3 promulgated thereunder, and the applicable Nasdaq Stock Market listing standards for independence), and free from any relationship that, in the opinion of the Board, would interfere with the exercise of his or her independent judgment as a member of the Committee. All members shall have a basic understanding of finance and accounting and be able to read and understand fundamental financial statements, including a balance sheet, income statement, and cash flow statement. At least one member of the Committee shall have past employment experience in finance or accounting, requisite professional certification in accounting, or other comparable experience. . The Board, together with the Nominating and Corporate Governance Committee, shall determine whether at least one member of the Committee qualifies as an “audit committee financial expert” in compliance with the criteria established by the SEC and other relevant regulations. The existence of such member, including his or her name, shall be disclosed in periodic filings as required by the SEC. The members of the Committee will be appointed by the Board and will serve until their successors have been duly appointed and qualified. 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 membership. The entire Committee or any individual Committee member may be removed without cause by the affirmative vote of a majority of the Board. Committee members shall not simultaneously serve on the audit committee of more than two public companies in addition to the Company.

The Committee shall meet at least four times a year, or more frequently as circumstances dictate or as the Chairman shall require, in order to satisfy its duties and responsibilities.

The Committee believes that the above mission statement sets fourth its primary roles and responsibilities. In that connection, the following is meant to serve as a guide in achieving that mission.

ROLES AND RESPONSIBILITIES

To fulfill its responsibilities and duties the Committee shall:

Financial Statement Review Procedures

1. Review the Company's annual audited financial statements, quarterly financial statements, and all internal controls reports (or summaries thereof) prior to distribution. The review should include discussion with management and the independent registered public accounting firm of significant issues regarding accounting principles, practices, and judgments. Review other material reports or financial information submitted by the Company to any governmental body, or the public, including management certifications as required by the Sarbanes-Oxley Act of 2002 (Sections 302 and 906) and relevant reports rendered by the independent registered public accountants (or summaries thereof). Discuss with independent registered public accountants its judgment about the quality, not just acceptability, of the Company's accounting principles as applied in its financial reporting.
2. Recommend to the Board whether the annual financial statements should be included in the Annual Report on Form 10-K. Review with management and the independent registered public accountants the Quarterly Reports on Form 10-Q prior to their filing (or prior to the release of earnings).
3. Review earnings press releases with management, including review of "pro-forma" or "adjusted" non-GAAP information.
4. Discuss with management financial information and earnings guidance provided to analysts. Such discussions may be on general terms (i.e., discussion of the types of information to be disclosed and the type of presentation to be made).
5. In consultation with management, the independent registered public accounting firm, and internal auditors, consider the integrity of the Bank's financial reporting processes and internal controls. Discuss significant financial risk exposures and steps taken by management to monitor, control, and report such exposures.
6. Review significant findings prepared by the independent registered public accountants and the internal auditors together with management's responses. Gain an understanding of whether internal control recommendations made by internal auditors and independent registered public accountants have been implemented by management and the potential effect on the financial statements.

Independent Registered Public Accountants

1. The independent registered public accountants are ultimately accountable to the Committee and the Board of Directors. The independent registered public accountants shall report directly to the Committee and the Committee shall oversee the resolution of disagreements between management and the independent registered public accountants in the event that they arise. The Committee shall review the independence and performance of the auditors

{Clients/1582/00282545.DOCX/2 }

and annually recommend to the Board of Directors the appointment of the independent registered public accounting firm or approve any discharge of auditors when circumstances warrant. The Committee shall ensure the receipt by the Committee from the independent public accounting firm of a formal written statement delineating all relationships between the firm and the Company, consistent with applicable standards, and actively engage in a dialogue with the independent public accounting firm with respect to any disclosed relationships or services that may impact the objectivity and independence of the independent public accounting firm.

2. The Committee will review and discuss with the independent registered public accountants the timetable, scope and approach of their interim reviews and annual examination of the financial statements, including the coordination of internal and external activities.
3. The Committee will review with the independent registered public accountant any problems or difficulties and management's response, review the independent registered public accountant's attestation and report on management's internal controls report (if and when required), and hold timely discussions with the independent registered public accountants regarding the following:
 - all critical accounting policies and practices;
 - all alternative treatments of financial information within generally accepted accounting principles that have been discussed with management, ramifications of the use of such alternative disclosures and treatments, and the treatment preferred by the independent registered public accountant;
 - other material written communications between the independent registered public accountant and management including, but not limited to, the management letter and schedule of unadjusted differences; and
 - an analysis of the independent registered public accountant's judgment as to the quality of the Company's accounting principles, setting forth significant reporting issues and judgments made in connection with the preparation of the financial statements.
4. At least annually, obtain and review a report by the independent registered public accountant describing:
 - the firm's internal control procedures (including disclosure controls);
 - any material issues raised by the most recent internal control review, peer review, or by any inquiry or investigation by governmental or professional authorities, including the PCAOB, within the preceding five years, respecting one or more independent audits carried out by the firm, and any steps taken to deal with any such issues; and

- all relationships between the independent registered public accountant and the Company, to assess such accountant's independence.
5. Review and pre-approve both audit and permissible non-audit services to be provided by the independent registered public accountant (other than with respect to *de minimis* exceptions permitted by the Sarbanes-Oxley Act of 2002). This duty may be delegated to one or more designated members of the Committee with any such pre-approval reported to the Committee at its next regularly scheduled meeting. The Committee may also adopt policies and procedures for the pre-approval of audit and permissible non-audit services.
 6. Set clear hiring policies, compliant with governing laws or regulations, for employees or former employees of the independent registered public accountants.
 7. Ensure and oversee the rotation of the lead audit partner of the Company's independent registered public accounting firm every five years, and consider whether there should be regular rotation of the independent public accounting firm itself.

Internal Auditors

1. The Committee is responsible for the activities, organizational structure and qualifications of the internal audit function. The Committee is responsible for the selection of an individual or an organization to serve as Internal Auditor(s) for the Company. The Committee will approve an Annual Risk Assessment and Audit Plan developed by the internal auditors. The Audit Committee may contract for internal audit services as necessary to assess the adequacy and effectiveness of internal controls, the accuracy of management reporting and compliance with laws, regulations and Bank policy. The Audit Committee will set forth the outsourcing vendor's responsibilities in a written contract the terms of which comply with the "Interagency Policy Statement of Internal Audit and Internal Audit Outsourcing."
2. The Committee will review and approve the Annual Internal Audit Plan which is designed based upon a Risk Assessment of the Company's operating and internal control structure. The plan will be submitted annually by the Internal Auditors for all Company units and functions and assure that an audit is conducted in compliance with statutory and regulatory requirements.
3. The Bank's Internal Auditors shall report directly to the Committee and shall coordinate administrative matters with the Audit Liaison appointed by the Company. The Committee shall oversee and be the ultimate authority over the enforcement of the approved internal audit plan and evaluate the performance of the Internal Auditors.
4. The Committee will determine that no management restrictions are being placed upon the Internal Auditors.
5. The Committee will meet with the Internal Auditors at least three times a year, or more frequently as deemed necessary, to gain an understanding of the effectiveness of the internal audit function. These meetings will also serve in evaluating their performance.
6. The Committee will review significant reports prepared by the internal auditors together with management's response and follow-up on these reports.

{Clients/1582/00282545.DOCX/2 }

Regulatory Reporting and Compliance with Laws and Regulations

1. The Committee is responsible for reviewing all reports of examination on the affairs of the Company and the Bank issued to the Company and the Bank from regulatory agencies, and carry out such other duties as may arise from time to time. The Committee, or its Chairman, will review management's responses to all regulatory reports on the Company and the Bank.
2. The Committee will periodically obtain updates from management and compliance auditors regarding compliance with laws and regulations.

General Committee Responsibilities

1. The Committee will review and update the Audit Charter annually and submit the charter to the Board of Directors for approval.
2. The Committee shall meet with the Company's counsel, when appropriate, to discuss legal issues concerning litigation, contingencies, claims or assessments that may have a significant impact on the Company's financial statements. The Committee is authorized to engage at the Company's expense, independent counsel to advise the Committee in discharging its duties and, if necessary, initiate special investigations and, if appropriate, hire special counsel or experts to assist.
3. The Committee will perform other oversight functions as requested by the Board of Directors. Further, the Audit Committee shall have the power to conduct or authorize investigations into any matters within the committee's scope of responsibilities.
4. The Committee will maintain minutes of meetings and periodically report to the Board of Directors on results of the foregoing activities. The Committee will report actions to the Board of Directors with recommendations as the Audit Committee may deem appropriate.
5. The Committee will meet periodically (at least annually) with the internal auditors, the independent accountants, and management in separate executive sessions to discuss any matters that the committee or these groups believe should be discussed privately with the audit committee.
6. The Committee shall establish procedures for the receipt, retention and treatment of complaints received by the Company about accounting, internal accounting controls or auditing matters, and the confidential, anonymous submission by Company employees of concerns regarding questionable accounting or auditing matters.
7. Prepare the report that the SEC requires to be included in the Company's annual proxy statement.
8. Annually, perform a self-assessment relative to the Committee's purpose, duties and responsibilities set forth herein.

Approved:

{Clients/1582/00282545.DOCX/2 }

John D. Behm, Audit Committee Chairman

Date