

**ENB FINANCIAL CORP  
AUDIT COMMITTEE CHARTER**

The Audit Committee is established as a subcommittee reporting periodically to the Board of Directors. The Audit Committee shall be composed of no less than three directors who meet the membership requirements and are independent of management of the Corporation as outlined by the Securities and Exchange Committee (SEC) and NASDAQ and are free of any relationship that, in the opinion of the Board, would interfere with their exercise of judgment as a committee member. At least one member will have had past employment experience or other comparable experience or background in the field of financial management.

The Audit Committee shall provide assistance to the Board in fulfilling their responsibilities to the shareholders. Principally, these responsibilities entail assessing the effectiveness of the internal control system over financial reporting, reviewing adherence to policies/procedures and assuring the safeguarding of all corporate assets. In so doing, it is the responsibility of the Audit Committee to maintain open lines of communications between the Board of Directors, external auditors, internal auditors and the senior management of the Corporation. Both the internal auditors and external auditors are authorized to communicate directly with the Committee if necessary.

In carrying out these responsibilities, the Audit Committee will:

1. Retain the final authority for the appointment, compensation, retention, and oversight of the External Auditor and will approve all audit engagement fees and related terms. Pre-approve all audit, review or attest services and any permitted non-audit services performed by the External Auditor.
2. Meet with the external auditors and financial management of the Corporation to review the scope of the annual audit for the current year and at the conclusion thereof, review such audit findings. This review will include both the external auditors' recommendations and the related management response.
3. Review with the external auditors and corporate management the adequacy and effectiveness of the internal financial and accounting controls of the Corporation and elicit any recommendations that they may have for the improvement of such control procedures. Particular attention should be given to the adequacy of such controls to expose any payments, transactions or other procedures that might be deemed illegal or otherwise improper.
4. Review and disclose the required information in the annual proxy statement as outlined by the SEC.
5. Review and recommend to the Board the appointment of a competent outsourcing vendor for internal audit services and/or in-house staff. If an outsourcing vendor is utilized, the Audit Committee will utilize the guidance from the Interagency Policy Statement on the Internal Audit Function and its Outsourcing in the selection and oversight of the outsourced activities.
6. Review and approve Internal Audit's proposed audit schedule for the coming year and the coordination of such programs with the external auditors' year-end requirements. Particular attention should be given to maintaining the best effective balance between external and internal auditing resources.

7. Monitor the activities of Internal Audit and ensure that Internal Audit adequately examines, reviews and reports to the Audit Committee that:
  - a) Internal accounting and financial controls of the various areas are adequate and efficient and can be relied upon to produce accurate financial information.
  - b) Internal controls adequately safeguard the assets of the Corporation.
  - c) Financial records of the operational areas are complete and accurate and are in conformity with corporate policy, generally accepted accounting principles and requirements of the various regulatory bodies.
  - d) Operational areas are in compliance with OCC, FRB and all other Federal and State laws and regulations.
  - e) Controls over the development, maintenance and operation of EDP systems are sufficient to ensure the accuracy, security and completeness of data processing results.
8. Prior to each periodic meeting, the Audit Committee will be provided a report prepared by Internal Audit, which outlines the findings of all audit engagements completed during the period. The Audit Committee will also be provided copies of written responses received from auditees. Supervisors or management of the audit area being reviewed are required to provide written responses to audit findings within 30 days after receipt of the audit report.
9. Review all reports on examinations made by the various regulatory agencies and evaluate management's responses to them.
10. Minutes of the Audit Committee meetings shall be submitted to the Board of Directors at the next regular Board meeting.
11. Establish "whistleblower" procedures concerning accounting, internal control, and/or auditing matters.

The foregoing list of functions is not intended to limit the Committee in fulfilling its responsibilities, but rather is intended to provide an overview of the principal duties to be performed by the Committee.

In performance of its duties, the Committee shall meet at least four times per year and have full use of the Bank's internal audit resources and engage if necessary, at the Bank's expense, independent counsel and /or other advisors as necessary to advise the Committee in discharging its duties.