

# ENB FINANCIAL CORP COMPENSATION COMMITTEE CHARTER

Approved by the Board of Directors April 9, 2008

## Purpose of Committee

The purpose of the Compensation Committee is to establish a *Compensation Philosophy* for the Bank, and to make recommendations to the Board of Directors regarding the salaries and benefits of directors, officers, and employees of the Bank.

## Committee Membership

The Committee shall consist of three or more members of the Board of Directors, each of whom is determined to be *independent* under the criteria as set forth by the Securities and Exchange Commission (SEC) and the National Association of Securities Dealers (NASD). Following appointment by the Board Chair, each member of the Committee shall serve until the next annual Reorganization Meeting, or until his or her successor is appointed.

## Committee Structure and Meetings

The Chairman of the Board shall designate one member of the Committee to serve as its Chairperson. The Committee shall meet as often as necessary, but at least once each year. Also, the Committee shall keep written minutes of its meetings, which shall be recorded and filed with the books and records of the Bank.

## Committee Duties and Responsibilities

Listed below are the duties and responsibilities of the Compensation Committee, as follows:

- Establish, and annually review with the entire Board of Directors, the *Compensation Policies* for the Bank;
- Recommend to the Board, target financial performance levels used in determining bonuses paid;
- Evaluate and determine the types of benefits appropriate to enhance the *Executive Compensation Program* objective;
- Have sole authority to retain and terminate any compensation consultant used to assist in the evaluation or development of compensation arrangements between the Bank and its directors, Chairman of the Board, CEO and President, and other executive officers;

- Evaluate the performance of the Chairman, CEO and President and determine and recommend to the Board the level of his or her compensation;
- From time to time, review and make recommendations to the Board with respect to Director Compensation;
- Annually review and assess the adequacy of the Charter and recommend to the Board any modifications, as appropriate;
- Perform other specific duties and responsibilities within the scope of the Committee's primary function as the Board from time to time may determine.

### **Committee Reports**

The Committee shall produce the following reports and provide them to the Board of Directors:

- A report of the compensation Committee on Executive Compensation for inclusion in the Bank's annual Proxy Statement in accordance with applicable SEC rules and regulations.
- Following Committee meetings, a summary of the group's activities, findings, and recommendations