

NB&T Financial Group, Inc.
Compensation Committee Charter

I. Mission Statement

- Assure a competitive executive compensation program for NB&T Financial Group, Inc. (the "Company") in order to attract and retain qualified executives and to provide incentives to executive officers for the attainment of the Company's goals and objectives.
- Evaluate all compensation plans, policies and programs as they affect executive officers and make recommendations to the full Boards of Directors of the Company and The National Bank and Trust Company (the "Bank").
- Review, discuss and approve, as appropriate, the various disclosures regarding executive and director compensation in the Company's proxy statement, annual report on Form 10-K and other public filings.
- Make recommendations to the full Boards of Directors of the Company and of the Bank regarding director compensation.
- Periodically review and make recommendations to the Board of Directors of the Company with respect to the Company's 401(k) savings plan, equity plans and employee stock ownership plan.

II. Committee Membership

Committee member qualifications and Committee member appointment and removal shall be determined from time to time by the Board of Directors of the Company after receiving the recommendations of the Company's Nominating and Corporate Governance Committee. One member of the Committee shall be appointed as the Committee Chair by the Board of Directors.

The Committee shall consist of no fewer than three members. The members of the Committee shall meet the independence requirements of the NASDAQ Stock Market LLC Listing Rules (the "Nasdaq Rules"). At least two members of the Committee also shall qualify as "outside" directors within the meaning of Internal Revenue Code § 162(m) and as "non-employee" directors within the meaning of Rule 16b-3 under the Securities Exchange Act of 1934.

III. Meetings

The Committee shall meet as often as necessary to carry out its responsibilities. The Committee Chair shall preside at each meeting. In the event the Committee Chair is not present at the meeting, the Committee members present shall designate one of its members as the acting chair of such meeting. A majority of the members of the Committee shall constitute a quorum for the transaction of business, and the act of a majority of those present shall be the act of the Committee.

IV. Responsibilities

Except as specifically authorized or directed by the Board of Directors of the Company, the Committee shall perform, or shall delegate to a subcommittee to perform, the following functions:

1. establish, in consultation with senior management, the general compensation philosophy of the Company and oversee the development and implementation of compensation programs;
2. review and recommend to the Boards of Directors of the Company and the Bank the compensation of the executive officers of the Company, as defined by the Nasdaq Rules (the "Executive Officers"), including that of the Chief Executive Officer ("CEO"), taking into consideration the Company's goals and objectives, performance in light of those goals and objectives, and procedures with respect to compensation and such other factors as may, in the Committee's discretion, be appropriate;
3. review and recommend to the Boards of Directors of the Company and the Bank, as appropriate, the performance criteria, targets, payout criteria, payment amounts and other items for short-term and long-term incentive compensation plans of the Company and of the Bank, as provided by the terms of such plans;
4. review and recommend to the full Boards of Directors of the Company and of the Bank, as appropriate, any proposed new or modified compensation, incentive compensation, equity-based or deferred compensation plan;
5. review and recommend to the full Board of Directors of the Company and of the Bank, as appropriate, the terms of all employment agreements, severance agreements and change in control agreements for Executive Officers;
6. review and approve or recommend to the full Board of Directors of the Company stock option grants and other equity-based awards under the Company's equity plans as and to the extent required by the terms of such plans and discharge any other responsibilities imposed on the Committee by such plans;
7. review and recommend periodically to the full Boards of Directors of the Company and of the Bank, as appropriate, the compensation of the directors;
8. together with the Nominating and Corporate Governance Committee, conduct an annual performance review of the Chief Executive Officer;
9. participate in annual or more frequent risk assessments of the Company's and the Bank's compensation plans and policies to ensure that such plans and policies are not reasonably likely to have a material adverse effect on the Company, and prepare or review any narrative description required to be contained in the Company's proxy statement of the Company's assessment of such risks and how such risks were addressed;
10. review and approve required compensation disclosures for inclusion in the Company's proxy statement in compliance with the rules and regulations of the Securities and Exchange Commission (the "SEC");
11. ensure the public disclosure of this Charter and any amendments as required by the SEC and the posting of this Charter or any amendments to the Company's website;
12. evaluate the performance of the Committee on an annual basis;

13. review and reassess the adequacy of this Charter on an annual basis and, if necessary, recommend changes to the full Board of Directors of the Company;
14. maintain appropriate minutes and records of Committee meetings and make regular reports to the Board of Directors of the Company; and
15. discharge any other duties or responsibilities delegated to the Committee by the Board of Directors of the Company from time to time.

V. Resources and Authority of the Committee

The Committee shall have resources and authority appropriate to discharge its duties and responsibilities, including the authority to select, retain, terminate, and approve the fees and other retention terms of special counsel or other experts or consultants, as it deems appropriate, without seeking approval of the Board of Directors or management. With respect to compensation consultants retained to assist in the evaluation of director or Executive Officer compensation, this authority shall be vested solely in the Committee.