ENTERPRISE BANCORP INC /MA/
Form DEF 14A
April 02, 2009

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE 14A

(Rule 14a-101)
INFORMATION REQUIRED IN PROXY STATEMENT

SCHEDULE 14A INFORMATION

Proxy Statement Pursuant to Section 14(a) of
the Securities Exchange Act of 1934 (Amendment No.)

Filed by the Registrant x

Filed by a Party other than the Registrant o

Check the appropriate box:

o	Preliminary Proxy Statement
o	**Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**
x	Definitive Proxy Statement
o	Definitive Additional Materials
o	Soliciting Material Pursuant to §240.14a-12

Enterprise Bancorp, Inc.
(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

x No fee required.

o Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

(1)	Title of each class of securities to which transaction applies:
(2)	Aggregate number of securities to which transaction applies:
(3)	Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):
(4)	Proposed maximum aggregate value of transaction:
(5)	Total fee paid:

o Fee paid previously with preliminary materials.

o Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

(1)	Amount Previously Paid:
(2)	Form, Schedule or Registration Statement No.:
(3)	Filing Party:

(4) Date Filed:

ENTERPRISE BANCORP, INC.

222 MERRIMACK STREET

LOWELL, MASSACHUSETTS 01852

TELEPHONE: (978) 459-9000

April 2, 2009

Dear Stockholder:

You are cordially invited to attend the 2009 Annual Meeting of stockholders (the Annual Meeting) of Enterprise Bancorp, Inc. (the Company), the parent holding company of Enterprise Bank and Trust Company, to be held on Tuesday, May 5, 2009, at 4:00 p.m. local time, at the Vesper Country Club, 185 Pawtucket Boulevard, Tyngsboro, Massachusetts.

The Annual Meeting has been called for the following purposes:

1. To elect five Directors of the Company, each for a three-year term;

2. To approve and adopt the Company s 2009 Stock Incentive Plan;

3. To ratify the Audit Committee s appointment of KPMG LLP as the Company s independent registered public accounting firm for the fiscal year ending December 31, 2009; and

4. To transact such other business as may properly come before the meeting or any adjournments or postponements thereof.

The accompanying Proxy Statement of the Company provides information concerning the matters to be voted on at the Annual Meeting. Also enclosed is the Company s 2008 annual report to stockholders, which contains additional information and results for the year ended December 31, 2008, including the Company s Annual Report on Form 10-K as filed with the Securities and Exchange Commission.

It is important that your shares be represented at the Annual Meeting. Whether or not you plan to attend the Annual Meeting, you are requested to either (1) deliver your proxy electronically by following the instructions included with your proxy card, OR (2) deliver your proxy by phone by following the instructions included with your proxy card OR (3) deliver your proxy by mail by completing, dating, signing and returning your proxy card in the enclosed postage paid envelope.

Thank you in advance for returning your proxy. We appreciate your continuing support of the Company.

Sincerely,

George L. Duncan

Chairman of the Board

ENTERPRISE BANCORP, INC.

222 MERRIMACK STREET

LOWELL, MASSACHUSETTS 01852

TELEPHONE: (978) 459-9000

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS

The Annual Stockholders Meeting of Enterprise Bancorp, Inc. will be held at the

VESPER COUNTRY CLUB

185 Pawtucket Boulevard

Tyngsboro, MA 01879

on Tuesday, May 5, 2009 at 4:00 p.m.

The annual meeting is being held for the following purposes:

1. To reelect John P. Clancy, Jr., James F. Conway, III, Lucy A. Flynn, John P. Harrington and Nickolas Stavropoulos to serve as Directors of the Company for a three-year term (Proposal One);

2. To approve and adopt the Company s 2009 Stock Incentive Plan (Proposal Two);

3. To ratify the Audit Committee s appointment of KPMG LLP as the Company s independent registered public accounting firm for the fiscal year ending December 31, 2009 (Proposal Three); and

4. To transact any other business which may properly come before the meeting or any adjournments or postponements thereof.

You may vote at the Annual Meeting if you were a stockholder of record at the close of business on March 9, 2009.

In the event there are not sufficient votes to approve any of the foregoing proposals at the time of the Annual Meeting, the Annual Meeting may be adjourned in order to permit further solicitation of proxies by the Company.

By Order of the Board of Directors

Michael A. Spinelli

Secretary

222 Merrimack Street

Lowell, Massachusetts 01852

April 2, 2009

EVEN IF YOU PLAN TO ATTEND THE ANNUAL MEETING IN PERSON, PLEASE (1) DELIVER YOUR PROXY ELECTRONICALLY BY FOLLOWING THE INSTRUCTIONS INCLUDED WITH YOUR PROXY CARD OR (2) DELIVER YOUR PROXY BY PHONE BY FOLLOWING THE INSTRUCTIONS INCLUDED WITH YOUR PROXY CARD OR (3) COMPLETE, SIGN AND DATE THE ENCLOSED PROXY CARD AND RETURN IT PROMPTLY IN THE ENCLOSED ENVELOPE, WHICH REQUIRES NO POSTAGE IF MAILED IN THE UNITED STATES. IF YOU ATTEND THE ANNUAL MEETING AND DESIRE TO WITHDRAW YOUR PROXY AND VOTE IN PERSON, YOU MAY DO SO.

PROXY STATEMENT

ENTERPRISE BANCORP, INC.

222 MERRIMACK STREET

LOWELL, MASSACHUSETTS 01852

Telephone: (978) 459-9000

ANNUAL MEETING OF STOCKHOLDERS

To Be Held on Tuesday, May 5, 2009

IMPORTANT NOTICE REGARDING AVAILABILITY OF PROXY MATERIALS

FOR THE SHAREHOLDER MEETING TO BE HELD ON MAY 5, 2009

The proxy statement and annual report are available to shareholders at www.edocumentview.com/ebtc.

You may obtain directions to the Vesper Country Club in Tyngsboro, where our annual meeting will be held this year, by going to the following web site: https://vespercc.memberstatements.com/tour/tours.cfm?tourid=6866 and scrolling down to Driving Directions .

GENERAL INFORMATION

Introduction

This Proxy Statement is furnished in connection with the solicitation of proxies by the Board of Directors of Enterprise Bancorp, Inc. (the Company), the parent holding company of Enterprise Bank and Trust Company (the Bank), for the 2009 Annual Meeting of stockholders of the Company (the Annual Meeting), to be held on Tuesday, May 5, 2009 at 4:00 p.m. local time, at the Vesper Country Club, 185 Pawtucket Boulevard, Tyngsboro, Massachusetts and at any adjournments or postponements thereof. This Proxy Statement, the accompanying Notice of Annual Meeting and the accompanying proxy card are first being mailed to stockholders on or about April 2, 2009.

The Annual Meeting has been called for the following purposes: (1) to elect five Directors of the Company, each to serve for a three-year term; (2) to approve and adopt the Company s 2009 Stock Incentive Plan (3) to ratify the Audit Committee s appointment of KPMG LLP as the Company s independent registered public accounting firm for the fiscal year ending December 31, 2009; and (4) to transact such other business as may properly come before the Annual Meeting or any adjournments or postponements thereof.

The Company is a Massachusetts corporation and a registered bank holding company. All of the Company s material business activities are conducted through the Bank.

Record Date

The Board of Directors has fixed the close of business on March 9, 2009 as the record date for the determination of stockholders entitled to notice of, and to vote at, the Annual Meeting and any adjournments or postponements thereof (the Record Date). Only holders of record of the Company s common stock (the Common Stock) at the close of business on the Record Date will be entitled to vote. At the close of business on the Record Date, there were 8,068,581 shares of the Common Stock issued and outstanding. The holders of shares of the Common Stock outstanding as of the close of business on the Record Date will be entitled to one vote for each share held of record upon each matter properly submitted to the Annual Meeting or any adjournments or postponements thereof.

Proxies

You may vote at the annual meeting in person or by proxy. Proxies may be delivered electronically via the Internet, by phone, or in writing by mail. If you intend to deliver a proxy electronically or by phone, you may do so by following the instructions included with your proxy card. If you hold your shares in street name , such as in a stock brokerage account or through a bank or other nominee, you need to check your proxy card or contact your broker or nominee to determine whether electronic or telephonic proxy delivery is available to you. If you intend to deliver a proxy by mail, we request that you complete, date, sign and promptly return the accompanying proxy card in the enclosed envelope, which requires no postage if mailed in the United States.

If you are delivering a proxy electronically or by phone and you properly follow the instructions included with your proxy card for doing so by no later than the deadline indicated in such instructions or if you are delivering a proxy by mail and you return the enclosed proxy card properly executed to the Company in time to be voted at the Annual Meeting, then the shares represented by your proxy, regardless of the method of delivery, will be voted in accordance with your voting instructions, unless you subsequently revoke your proxy as further explained below.

If you properly deliver your proxy, without including any instructions as to how your proxy should be voted, then your proxy will be voted as follows: (1) FOR the election of John P. Clancy, Jr., James F. Conway, III, Lucy A. Flynn, John P. Harrington and Nickolas Stavropoulos, the five nominees of the Board of Directors, as Directors of the Company; (2) FOR the approval and adoption of the Company s 2009 Stock Incentive Plan; (3) FOR the ratification of the Audit Committee s appointment of KPMG LLP as the Company s independent registered public accounting firm for the fiscal year ending December 31, 2009; and (4) in such manner as management s proxy-holders shall decide on such other matters as may properly come before the Annual Meeting or any adjournments or postponements thereof.

The presence of a stockholder at the Annual Meeting will not automatically revoke a stockholder s proxy. A stockholder may, however, revoke a proxy at any time prior to the voting thereof on any matter (without, however, affecting any vote taken prior to such revocation) by filing with the Secretary of the Company a written notice of revocation, or by delivering to the Company a duly executed proxy bearing a later date, or by properly delivering a proxy electronically or by phone at a later date, or by attending the Annual Meeting and voting in person. All written notices of revocation and other written communications with respect to revocation of proxies in connection with the Annual Meeting should be addressed as follows: Enterprise Bancorp, Inc., 222 Merrimack Street, Lowell, Massachusetts 01852, Attention: Michael A. Spinelli, Secretary.

It is not anticipated that any matters other than those set forth in the foregoing proposals (1), (2) and (3) contained in this Proxy Statement will be brought before the Annual Meeting. Please see the additional information under the heading Stockholder Proposals at page 39 of this Proxy Statement for a description of the requirements that must be satisfied in order for any Director nomination or other stockholder proposal, which is not otherwise included in this Proxy Statement, to be presented by any stockholder at the Annual Meeting. If any other matters properly come before the Annual Meeting, the persons named as proxies will vote upon such matters in their discretion in accordance with their best judgment.

In addition to use of the mails, proxies may be solicited personally or by telephone, fax or e-mail by officers, Directors and employees of the Company, none of whom will be specially compensated for such solicitation activities. Arrangements will also be made with brokerage houses and other custodians, nominees and fiduciaries for forwarding solicitation materials to the beneficial owners of shares held of record by such persons, and the Company will reimburse such persons for their reasonable out-of-pocket expenses incurred in that connection. The cost of soliciting proxies will be borne by the Company.

Quorum; Vote Required

The presence, in person or by proxy, of at least a majority of the total number of outstanding shares of the Common Stock is necessary to constitute a quorum at the Annual Meeting for the transaction of business. Abstentions and broker non-votes (as defined below) will be counted as present for purposes of determining the presence or absence of a quorum for the transaction of business at the Annual Meeting.

The number of affirmative votes required for approval of the matters to be considered at the Annual Meeting is as follows:

- A plurality of the affirmative votes cast by shareholders present, in person or by proxy, at the Annual Meeting is required for the election of directors. Plurality means that the nominees receiving the largest number of affirmative votes cast are elected as directors up to the maximum number of directors who are nominated to be elected at the annual meeting. At the Annual Meeting the maximum number of directors to be elected is five.

- A majority of affirmative votes cast by shareholders present, in person or by proxy, at the Annual Meeting is required to approve and adopt the Company s 2009 Stock Incentive Plan.

- A majority of affirmative votes cast by shareholders present, in person or by proxy, at the Annual Meeting is required to ratify the appointment of KPMG LLP as our independent registered public accounting firm for 2009.

In voting for the election of directors, you may vote for all nominees or withhold your vote from all nominees or from only certain specified nominees. Withholding a vote from all or some of the nominees is effectively a vote against such nominee(s), but will not prevent the election of such nominee(s) so long as such nominee(s) receive a plurality of the affirmative votes cast at the Annual Meeting.

In voting for the approval and adoption of the Company s 2009 Stock Incentive Plan, you may vote for or against such approval and adoption or you may abstain from voting on the matter. Under Massachusetts law, an abstention is not considered a vote cast at a meeting and, consequently, abstentions will have no effect on the voting for this proposal.

In voting for the ratification of the appointment of KPMG LLP as our independent registered public accounting firm for 2009, you may vote for or against such ratification or you may abstain from voting on the matter. Under Massachusetts law, an abstention is not considered a vote cast at a meeting and, consequently, abstentions will have no effect on the voting for this proposal.

With respect to the matters to be considered at the Annual Meeting, broker non-votes will be disregarded for purposes of determining whether a proposal has been approved.

Under existing stock exchange rules, banks, brokers, or other nominees may vote shares held for a customer in street name on matters that are considered to be routine even if they have not received voting instructions from their clients. A broker non-vote occurs when a bank, broker, or other nominee has not received voting instructions from a customer and does not vote the customer s shares either because the matter is not considered routine or because the bank, broker or other nominee does not exercise its prerogative to vote even if the matter is considered routine.

The first and third proposals to be brought before the Annual Meeting this year, namely the election of directors and the ratification of the appointment of the independent registered public accounting firm, are considered routine matters, which means that if your shares are held in street name your bank, broker, or other nominee may vote your shares on these matters in its sole discretion if you do not provide timely instructions for voting your shares. The second proposal to be brought before the Annual Meeting this year, namely the approval and adoption of the stock incentive plan, is generally not considered a routine matter, which means that if your shares are held in street name your bank, broker, or other nominee may not vote your shares on this matter unless you provide timely instructions for such voting.

The Directors and executive officers of the Company have indicated that they intend to vote all shares of the Common Stock that they are entitled to vote in favor of each of proposals (1), (2) and (3) presented herein. On the Record Date, the Directors and executive officers of the Company in the aggregate had the right to vote 2,315,871 shares of the Common Stock representing approximately 28.70% of the outstanding shares of the Common Stock as of such date.

PROPOSAL ONE

ELECTION OF CLASS OF DIRECTORS

The Company s By-Laws provide that the number of Directors shall be set by a majority vote of the entire Board of Directors. The number of Directors for the Company has been set at 16 through the date of the Annual Meeting. Under the Company s Articles of Organization and By-Laws, this number is divided into three classes, as nearly equal in number as possible, with the Directors in each class serving a term of three years and until their respective successors are duly elected and qualified, or until his or her earlier resignation, death or removal. As the term of one class expires, a successor class is elected at the annual meeting of stockholders for that year.

At the Annual Meeting, there are five Directors to be elected to serve until the 2012 annual meeting of stockholders and until their respective successors are duly elected and qualified, or until his or her earlier resignation, death or removal. The Board of Directors has nominated, upon the recommendation of the Board s Corporate Governance/Nominating Committee, each of John P. Clancy, Jr., James F. Conway, III, Lucy A. Flynn, John P. Harrington and Nickolas Stavropoulos, for election as a Director for a three-year term.

Unless authority to do so has been withheld or limited in the proxy, it is the intention of the persons named in the proxy to vote the shares represented by each properly executed proxy for the election as a Director of each of the nominees named above. The Board of Directors believes that all of the nominees will stand for election and will serve as a Director if elected. However, if any person nominated by the Board of Directors fails to stand for election or is unable or refuses to accept election, the proxies will be voted for the election of such other person or persons as the Board of Directors may recommend.

Information Regarding Nominees

The following table sets forth certain information for each of the five nominees for election as Directors at the Annual Meeting. Each individual has been engaged in his or her principal occupation for at least five years, except as otherwise indicated.

Nominees

(Term to Expire in 2012)

Name, Age and Principal Occupation	**Director Since (1)**
John P. Clancy, Jr. (51) Chief Executive Officer of the Company and the Bank (and prior to July, 2007, also Chief Investment Officer of the Bank); From January 1, 2005 through December 31, 2006, Executive Vice President and Chief Operating Officer of the Company and Executive Vice President, Chief Operating Officer and Chief Investment Officer of the Bank; prior to January 2005, President and Treasurer of the Company and Executive Vice President, Treasurer and Chief Investment Officer of the Bank	2003
James F. Conway, III (56) President, Chief Executive Officer and Chairman, Courier Corporation, a publicly held company specializing in the publishing, printing and sale of books	1989
Lucy A. Flynn (55) Vice President Global Marketing Communications, Raytheon Company, a publicly held technology company specializing in defense, homeland security and other government markets	1997
John P. Harrington (66) Energy Consultant for Tennessee Gas Pipeline Company; since May 2007, Assistant Secretary of the Company and the Bank	1989
Nickolas Stavropoulos (51) Executive Vice President, U.S. Gas Distribution, National Grid, a publicly held company focused on the delivery of electricity and natural gas; from June 2004 through August 2007, President, KeySpan Energy Delivery, and Executive Vice President, KeySpan Corporation; prior to June 2004, Executive Vice President, KeySpan Corporation and President, KeySpan Energy New England; member of Board of Directors, Dynamic Research Corporation, a publicly held company that provides mission-critical technology management services and solutions for government programs	2002

(1) All of the listed Nominees are also Directors of the Bank. The years listed in the foregoing table are the respective years in which each named individual first became a Director of the Company and the Bank.

For information regarding the remaining members of the Board of Directors, who will continue to serve after the Annual Meeting, see the listing under the heading Continuing Directors at pages 11-12 below.

Recommendation of Directors

The Board of Directors recommends that the stockholders vote FOR the election of John P. Clancy, Jr., James F. Conway, III, Lucy A. Flynn, John P. Harrington and Nickolas Stavropoulos, the five nominees proposed by the Board of Directors, as Directors of the Company to serve until the 2012 annual meeting of stockholders and until their successors are duly elected and qualified.

PROPOSAL TWO

APPROVAL OF 2009 STOCK INCENTIVE PLAN

Description of 2009 Stock Incentive Plan

On March 17, 2009, the Board of Directors unanimously approved and adopted the Enterprise Bancorp, Inc. 2009 Stock Incentive Plan (the Stock Incentive Plan or the Plan) and directed that the Stock Incentive Plan be submitted to the Company s stockholders for their consideration and approval.

Purpose, Participants, Effective Date and Duration. The purpose of the Stock Incentive Plan is to encourage and enable the officers, employees, non-employee directors and consultants of the Company and its subsidiaries (including without limitation the Bank) upon whose judgment, initiative and efforts the Company largely depends for the successful conduct of its business to acquire a proprietary interest in the Company. The Stock Incentive Plan allows for the granting of options to acquire Common Stock (Options), shares of Common Stock subject to restrictions (Restricted Stock), rights based on the value of the Common Stock (Restricted Stock Units or RSUs) and rights based on future appreciation in the value of the Common Stock (Stock Appreciation Rights or SARs). Grants of Options, Restricted Stock, RSUs and/or SARs are referred to collectively in this summary as Awards.

The majority of the shares of Common Stock reserved for issuance pursuant to the Company s Amended and Restated 2003 Stock Incentive Plan are subject to previously granted and currently outstanding Options and Restricted Stock. Consequently, the Board of Directors believes that the adoption of the Stock Incentive Plan is necessary to enable the Company to continue in the future to attract and retain the high caliber of employees and directors required for the Company s continuing growth and success.

As of the date of this Proxy Statement, there are 13 non-employee directors, six executive officers (including three employee directors) and approximately 326 other employees, including other officers, who would be eligible participants under the Stock Incentive Plan. While outside consultants would also be eligible participants under the Plan, the Board of Directors has no current intention of granting Awards to any such persons.

The Stock Incentive Plan remains subject to approval by the Company s stockholders. If the Stock Incentive Plan is approved by stockholders at the Annual Meeting or any subsequent meeting held no later than March 16, 2010, then the Plan will remain in effect through March 16, 2019, unless earlier terminated by the Board of Directors. Any early termination of the Stock Incentive Plan by the Board of Directors will not affect Awards granted prior to such termination, but no additional Awards may be granted after any termination of the Plan.

Shares Subject to the Stock Incentive Plan. The total number of shares of Common Stock that may be subject to Awards under the Stock Incentive Plan may not exceed 400,000 (the Reserved Shares), which equals slightly less than 5% of the number of shares of Common Stock outstanding on the Record Date. These shares may be authorized but unissued shares or treasury shares. In the event of any change in the number or kind of Common Stock outstanding pursuant to a reorganization, recapitalization, exchange of shares, stock dividend or split or combination of shares, appropriate adjustments to the number of Reserved Shares and the number of shares subject to outstanding Awards, in the exercise price per share of outstanding Options and in the kind of shares which may be distributed under the Stock Incentive Plan will be made. The total amount of Reserved Shares that may be granted to any single employee under the Stock Incentive Plan may not exceed in the aggregate 120,000 shares. Shares will be deemed issued under the Stock Incentive Plan only to the extent actually issued pursuant to an Award. To the extent that an Award under the Stock Incentive Plan lapses or is forfeited, any shares subject to such Award will again become available for grant under the terms of the Stock Incentive Plan.

Administration. The Stock Incentive Plan may be administered by the Board of Directors Compensation Committee, which must consist of at least three members of the Board who are not employees of the Company or any of its subsidiaries, or by the Board of Directors itself. References to the Compensation Committee in this summary are intended to refer to the Compensation Committee or the full Board of Directors, as the case may be, unless the context requires otherwise. For so long as Section 16 of the Securities Exchange Act of 1934, as amended (the Exchange Act), is applicable to the Company, each member of the Compensation Committee must be a non-employee director or the equivalent within the meaning of the SEC s Rule 16b-3 promulgated under the Exchange Act. For so long as Section 162(m) of the Internal Revenue Code of 1986, as amended (the Code), is applicable to the Company, each such member of the Compensation Committee must also be an outside director within the meaning of Section 162 of the Code and the regulation thereunder. With respect to persons subject to Section 16 of the Exchange Act (generally, executive officers, directors and any 10% stockholders), all transactions under the Stock Incentive Plan are intended to comply with all applicable conditions of the SEC s Rule 16b-3 or any successor regulation.

Subject to the terms of the Stock Incentive Plan, the Compensation Committee has authority to: (i) select the persons to whom Awards shall be granted; (ii) determine the number or value and the terms and conditions of Awards granted to each such person, including the price per share to be paid upon exercise of any Option and the period within which each such Option may be exercised; and (iii) interpret the Stock Incentive Plan and prescribe rules and regulations for the administration thereof. Notwithstanding the Compensation Committee s general authority to grant Awards and administer the Plan, the full Board of Directors must approve all grants of Awards to all executive officers and any directors of the Company.

Stock Options. In granting Options under the Plan, the Compensation Committee will determine the number of shares of Common Stock subject to the Option, the exercise price of the Option, the manner and time of exercise of the Option and whether the Option is intended to qualify as an incentive stock option (ISO) within the meaning of Section 422 of the Code. Options that are not intended to qualify as ISOs are referred to as nonqualified stock options (NSOs). In the case of an ISO, the exercise price may not be less than the fair market value of the Common Stock on the date the Option is granted; provided, however, that in the case of an employee who owns (or is considered to own under Section 424(d) of the Code) stock possessing more than 10% of the total combined voting power of all classes of stock of the Company or any of its subsidiaries, the price at which Common Stock may be purchased pursuant to an ISO may not be less than 110% of the fair market value of the Common Stock on the date the ISO is granted.

The duration of the ISOs and NSOs granted under the Stock Incentive Plan may be specified pursuant to each respective stock option agreement, but in no event can any ISO be exercisable after the expiration of 10 years after the date of grant. In the case of any employee who owns (or is considered under Section 424(d) of the Code as owning) stock possessing more than 10% of the total combined voting power of all classes of stock of the Company or any of its subsidiaries, no ISO shall be exercisable after the expiration of five years from its date of grant. The Compensation Committee, in its discretion, may provide that any Option is exercisable during its entire duration or any lesser period of time.

The option exercise price may be paid in cash, in shares of Common Stock owned by the optionee (subject to certain limitations specified in the Stock Incentive Plan), or by means of a cashless exercise procedure in which a broker transmits funds to the Company in accordance with procedures specified in the Plan.

Restricted Stock. The Compensation Committee may grant to participants a number of shares of Common Stock determined in its discretion, subject to terms and conditions so determined by it, including conditions that may require the holder to forfeit the Common Stock in the event that the holder ceases to provide services to the Company or a subsidiary before a stated time. Unlike holders of Options, a holder of Restricted Stock has the rights of a stockholder of the Company to vote the shares and, depending upon the terms of the grant, may also be entitled to receive payments of dividends on the Restricted Stock.

Restricted Stock Units and Stock Appreciation Rights. The granting of RSUs and SARs involve rights based on the value and the appreciation in value, if any, of the Common Stock, respectively, and do not involve in either instance the issuance of any shares at the time of grant. The terms and conditions of any RSUs and SARs that may be granted under the Plan will be determined in the sole discretion of the Compensation Committee at the time of grant, including vesting requirements and whether vested benefits may be settled in cash and/or shares of Common Stock.

Effect of Certain Corporate Transactions. If while unexercised or otherwise unvested Awards remain outstanding under the Stock Incentive Plan the Company is subject to a Change in Control (as such term is defined in the Stock Incentive Plan) or is liquidated, then, except as otherwise specifically provided to the contrary in any applicable agreement, (i) each such Option outstanding immediately prior to the effective time of such Change of Control or liquidation shall become immediately exercisable upon such effective time with respect to all of the Reserved Shares subject to such Option, whether or not the participant s rights under such Option would otherwise have been so fully exercisable at such time and (ii) each holder of shares of Restricted Stock, RSUs and/or SARs outstanding immediately prior to the effective time of such Change in Control or liquidation shall become fully vested upon such effective time with respect to such holder s ownership of such shares or rights under such RSUs and/or SARs, whether or not such holder would otherwise have been so fully vested with respect to such shares or rights at such time.

Amendments to Stock Incentive Plan. The Board of Directors may amend or discontinue the Plan at any time and the Board of Directors or the Compensation Committee, as the case may be, may also amend or cancel any outstanding Award at any time for the purpose of satisfying any changes in law or for any other lawful purpose, except that no such amendment, discontinuation or cancellation of the Plan or of any Awards may adversely affect the rights of any holder of an outstanding Award without the holder s consent. Any amendment to the Plan will require the approval of the Company s stockholders if and to the extent required under the rules of any stock exchange or market system on which the Common Stock is listed, or required to ensure that any outstanding ISOs granted under the Plan remain qualified under Section 422 of the Code, or to ensure that compensation earned under Awards qualifies as performance-based compensation under Section 162(m) of the Code, or required to ensure the availability to the Plan of the protections of Section 16(b) of the Exchange Act or as may otherwise be required for any other reason under applicable law.

The following description of the federal income tax consequences of Options, Restricted Stock, Restricted Stock Units and Stock Appreciation Rights is general and does not purport to be complete.

Tax Treatment of Options. A participant realizes no taxable income when an NSO is granted. Instead, the difference between the fair market value of the Common Stock subject to the NSO and the exercise price paid is taxed as ordinary compensation income when the NSO is exercised. The difference is measured and taxed as of the date of exercise, if the stock is not subject to a substantial risk of forfeiture, or as of the date or dates on which the risk terminates in other cases. A participant may elect to be taxed on the difference between the exercise price and the fair market value of the Common Stock on the date of exercise, even though some or all of the Common Stock acquired is subject to a substantial risk of forfeiture. Gain on the subsequent sale of the Common Stock is taxed as a capital gain. The Company receives no tax deduction on the grant of a NSO, but is entitled to a tax deduction when the participant recognizes taxable income on or after exercise of the NSO, in the same amount as the income recognized by the participant.

Generally, a participant incurs no federal income tax liability on either the grant or the exercise of an ISO, although a participant will generally have taxable income for alternative minimum tax purposes at the time of exercise equal to the excess of the fair market value of the stock subject to an ISO over the exercise price. Provided that the shares of Common Stock are held for at least one year after the date of exercise of the related ISO and at least two years after its date of grant, any gain realized on the subsequent sale of the stock will be taxed as long-term capital gain. If the stock is disposed of within a shorter period of time, the participant will be taxed as if the participant had then received ordinary compensation income in an amount equal to the difference between the fair market value of the stock on the date of exercise of the ISO and its fair market value on its date of grant. The Company receives no tax deduction on the grant or exercise of an ISO, but is entitled to a tax deduction if the participant recognizes taxable income on account of a premature disposition of ISO stock, in the same amount and at the same time as the participant s recognition of income.

Tax Treatment of Restricted Stock. A person who receives a grant of Common Stock subject to restrictions generally will not recognize taxable income at the time the award is received, but will recognize ordinary compensation income when any restrictions constituting a substantial risk of forfeiture lapse. The amount of imputed income will be equal to the excess of the aggregate fair market value, as of the date the restrictions lapse, over the amount (if any) paid by the holder for the Restricted Stock. Alternatively, a recipient of Restricted Stock may elect to be taxed on the excess of the fair market value of the Restricted Stock at the time of grant over the amount (if any) paid for the Restricted Stock, notwithstanding the restrictions on the stock. Outright grants of Common Stock (i.e., grants without any restrictions) will result in ordinary compensation income to the participant. All such taxable amounts are deductible by the Company at the time and in the amount of the ordinary compensation income recognized by the participant.

Tax Treatment of Restricted Stock Units and Stock Appreciation Rights. A participant incurs no imputed income upon the grant of an RSU or SAR, but upon its exercise realizes ordinary compensation income in an amount equal to the cash and/or fair market value of the Common Stock (if the RSU or SAR is settled in whole or in part in shares of Common Stock) that the participant receives at that time. All such taxable amounts are deductible by the Company at the time and in the amount of the ordinary compensation income recognized by the participant. This description assumes that the terms of the RSU or SAR require that the participant exercise the RSU or SAR at the time it vests and that the participant s receipt of payment cannot be deferred beyond the short term deferral period permissible under Section 409A of the Code and the final U.S. Treasury regulations thereunder.

Parachute Payments. Under certain circumstances, an accelerated vesting or granting of Awards in connection with a Change in Control of the Company may give rise to a excess parachute payment for purposes of the golden parachute tax provisions of Section 280G of the Code. To the extent it is so considered, a participant may be subject to a 20% nondeductible federal excise tax and the Company may be denied an income tax deduction.

Based upon the closing price of the Common Stock as reported on the Nasdaq Global Market on March 19, 2009, the current fair market value of the Common Stock is $8.75 per share.

No Awards have been granted under the Stock Incentive Plan that are contingent upon stockholder approval of the Plan.

Recommendation of Directors

The Board of Directors recommends that the stockholders vote FOR the approval and adoption of the Company s 2009 Stock Incentive Plan.

PROPOSAL THREE

RATIFICATION OF APPOINTMENT OF INDEPENDENT

REGISTERED PUBLIC ACCOUNTING FIRM

The Audit Committee has appointed KPMG LLP to serve as the independent registered public accounting firm of the Company for the fiscal year ending December 31, 2009.

The Company is not required to submit the ratification of the Audit Committee s appointment of KPMG LLP as the Company s independent registered public accounting firm to a vote of stockholders. In the event a majority of the votes cast are against the appointment of KPMG LLP, the Audit Committee may consider the vote and the reasons therefor in future decisions on its appointment of the Company s independent registered public accounting firm.

Representatives of KPMG LLP are expected to attend the annual meeting at which time they will have an opportunity to make a statement if they wish to do so and will be available to answer any appropriate questions from stockholders.

Audit Fees

The aggregate fees billed by KPMG LLP for professional services rendered for the audit of the Company s annual consolidated financial statements for the year ended December 31, 2008 and the review of the consolidated financial statements included in the Company s quarterly reports on Form 10-Q as filed with the SEC during the year ended December 31, 2008 were $372,000. The same fees for the year ended December 31, 2007 were $347,500.

Audit-Related Fees

There were no audit-related fees billed to the Company for the years ended December 31, 2008 and December 31, 2007.

Tax Fees

The Company paid $27,800 in 2008 and $24,600 in 2007 to KPMG LLP for tax preparation services performed in each of these two years.

All Other Fees

No additional fees were paid to KPMG LLP in 2008 and 2007.

The Audit Committee must approve in advance any audit or permissible non-audit engagement or relationship between the Company and its independent registered public accounting firm. The Audit Committee has delegated to its chairman this approval authority, subject to the requirement that the chairman report the terms of any such engagement or relationship to the full Audit Committee at its next regularly scheduled meeting. All of the services described above, including those described under the headings, Audit-Related Fees , Tax Fees , and All Other Fees , were provided in conformance with such pre-approval requirements. The Audit Committee has determined that providing the services described above under the headings, Audit-Related Fees , Tax Fees , and All Other Fees , is compatible with maintaining the independence of KPMG LLP.

Recommendation of Directors

The Board of Directors recommends that the stockholders vote FOR the ratification of the Audit Committee s appointment of KPMG LLP as the independent registered public accounting firm of the Company for the fiscal year ending December 31, 2009.

BOARD OF DIRECTORS

In addition to the nominees for election to the Board of Directors set forth above, the Board of Directors is comprised of the individuals listed below whose terms expire at the annual meetings of the Company s stockholders in 2010 and 2011. Each individual has been engaged in his or her principal occupation for at least five years, except as otherwise indicated.

Continuing Directors

(Term to expire in 2010)

Name, Age and Principal Occupation	Director Since (1)
Nancy L. Donahue (78) Philanthropist and Chair of the Merrimack Repertory Theatre	1988
George L. Duncan (68) Chairman of the Company and the Bank since their inception; prior to January 2007, also Chief Executive Officer of the Company and the Bank since inception	1988
Eric W. Hanson (65) Since December, 2006, Chief Financial Officer of Klin Spirits, LLC, a privately held distributor of imported Russian vodka; prior to August 2008, Chairman of the Board, D.J. Reardon Company, Inc., a privately held distributorship of Anheuser-Busch beverages and affiliated brands	1991
Michael T. Putziger (63) Since 2005, Vice Chairman of WinnCompanies, a private real estate company that develops, acquires and manages multi-family and mixed income properties nationwide; since 2005, Of Counsel to Murtha Cullina, LLP, a firm which provides legal services to businesses, governmental units, non-profit organizations and individuals (prior to 2005, Partner in Murtha Cullina, LLP); since 2007, Chairman of the Board of Directors of Bank of Florida Corporation, a publicly held Florida multi-bank holding company (prior to 2007, member of the Board of Directors of Bank of Florida Corporation and of Bank of Florida - Southwest); since 2007, member of the Board of Directors of New Hampshire Thrift Bancshares, the publicly held parent company of Lake Sunapee Bank, a federally chartered savings bank (prior to 2007, a member of the Board of Directors of First Community Bank based in Woodstock, Vermont, which was acquired by New Hampshire Thrift Bancshares and merged into Lake Sunapee Bank)	2008

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Name, Age and Principal Occupation	Director Since (1)
Carol L. Reid (61) Financial Executive; prior to September 2005, Vice President, Corporate Controller and Chief Accounting Officer of Avid Technology, Inc., a publicly held company specializing in digital media creation tools for film, audio, animation, games and broadcast	2006
Michael A. Spinelli (76) Founder, Global Tourism Solutions, an international tourism consulting firm for emerging nations; Secretary of the Company and the Bank	1988

(Term to expire in 2011)

Name, Age and Principal Occupation	Director Since (1)
Kenneth S. Ansin (44) Entrepreneur and private investor; prior to August 2007, owner and President of Norwood Fine Cabinetry, a privately held company specializing in kitchen and bath cabinetry	1994
John R. Clementi (59) President, Plastican, Inc., a privately held manufacturer of plastic pails and covers	1998
Carole A. Cowan (66) President, Middlesex Community College, the largest community college in Massachusetts	1999
Arnold S. Lerner (79) Retired radio station owner; Vice Chairman of the Company and the Bank; member of the Board of Directors, Courier Corporation, a publicly held company specializing in the publishing, printing and sale of books	1988
Richard W. Main (61) President of the Company and President and Chief Lending Officer of the Bank; prior to January 2005, President, Chief Operating Officer and Chief Lending Officer of the Bank	1989

(1) All of the Directors are also Directors of the Bank. The years listed in the foregoing tables are the respective years in which each named individual first became a Director of the Company and the Bank.

Independence of Board of Directors

The Board of Directors has determined that every individual who served as a Director during the year ended December 31, 2008 is independent of the Company s management on the basis of the independence standards contained in Rule 4200(a)(15) of the Marketplace Rules of The NASDAQ Stock Market, except for Messrs.

Duncan, Main and Clancy, who are all current employees of the Company, and Messrs. Putziger and Lerner as further described below.

Mr. Putziger, who joined the Board of Directors on April 15, 2008, holds a 13.7% limited partnership interest in a limited partnership that is the sole beneficiary of a real estate trust that leases the Bank s headquarters from the U.S. National Park Service and in turn subleases the building to the Bank. This lease relationship and the payments made thereunder by the Bank in 2008 are described further under the heading Transactions With Certain Related Persons at pages 35-36 below. Mr. Putziger also held a 13.6% general partnership interest in a general partnership that was the sole beneficiary of a real estate trust that previously owned the building that houses the majority of the Bank s operations departments. The Bank acquired this building from the trust in September 2007 for $2,760,787, in addition to having paid a total of $330,782 in prior lease payments to the trust in 2007. Based on Mr. Putziger s ownership interest in the partnership, his proportional interest in the gross proceeds paid by the Bank in connection with these lease and purchase transactions totaled $419,835 in 2007. Taking into account debt obligations on the building that were satisfied prior to any distributions being made by the trust to any of the partners of the partnership, the amount that Mr. Putziger personally received in connection with these lease and purchase transactions totaled $150,915. Mr. Putziger also held a 25% interest in a real estate trust that formerly owned parking facilities used by Bank employees. The Bank purchased the parking facilities for $187,500 in 2007, of which Mr. Putziger received $46,875. All of these transactions were negotiated and/or completed prior to Mr. Putziger s becoming a member of the Board of Directors, and the Board believes that the terms of all of these transactions, including the amounts paid by the Bank, were a product of arms-length negotiations between the parties.

Mr. Lerner held a 5% general partnership interest in the general partnership that was the sole beneficiary of the real estate trust that previously owned the building that houses the majority of the Bank s operations departments as described above. In connection with the previously described lease and purchase transactions, Mr. Lerner s proportional interest in the gross proceeds paid by the Bank totaled $154,578. Taking into account the debt obligations on the building that were satisfied prior to the partnership distributions being made, the amount that Mr. Lerner personally received in connection with these lease and purchase transactions totaled $55,565 in 2007.

In considering that Mr. Lerner is currently deemed to be not independent in accordance with the standards required under Nasdaq s Rule 4200(a)(15), due to the 2007 payments described above, and taking into account the critical role that he has played over the years as a member and former Chairman of the Compensation Committee and a member and the current Chairman of the Corporate Governance/Nominating Committee, the Board of Directors determined, in accordance with Rules 4200(c)(3)(C) and 4200(c)(4)(C) of the Marketplace Rules of The NASDAQ Stock Market, that Mr. Lerner s continuing membership on these two committees (including his continuing role as Chairman of the CGNC) is critical to the proper functioning of these committees and, therefore, serves the best interests of the Company and its shareholders.

With respect to each of the Company s independent Directors, there were no transactions, relationships or arrangements that have not been disclosed in this Proxy Statement under the heading Transactions with Certain Related Persons at pages 35-36 below, which were considered by the Board of Directors pursuant to the independence standards required under the applicable Nasdaq rule referenced above in the course of the Board s determining that each such Director meets the definition of independence.

Meetings of Board of Directors and Committees of Enterprise Bancorp, Inc. and Enterprise Bank and Trust Company

There were twelve joint meetings of the Company s (i.e., Enterprise Bancorp, Inc.) Board of Directors and the Bank s (i.e., Enterprise Bank and Trust Company) Board of Directors during the calendar year ended December 31, 2008. During such period, each Director attended more than 75% in the aggregate of the total number of meetings of the Board of Directors and of each of the committees of the Board of Directors on which he or she served, excluding Ms. Donahue and Mr. Stavropoulos.

The Company s Board of Directors maintains six standing committees; an executive committee, an audit committee, an asset-liability committee, a compensation committee, a corporate governance/nominating committee and a strategic growth planning committee.

The Bank s Board of Directors has an executive committee, an audit committee, an asset-liability committee, a compensation committee, a corporate governance/nominating committee, a strategic growth planning committee, a marketing and business development committee, a banking technology steering committee, an investment advisory group committee, and a loan committee.

Executive Committee. The Executive Committee assists the Board in fulfilling its responsibilities pertaining to the oversight of the Company s management. In addition, the Executive Committee is responsible for the approval and/or ratification of loans above certain limits.

Audit Committee. The audit committee is directly responsible for the appointment, compensation, retention and oversight of the work of the Company s independent registered public accounting firm and the Company s Director of Internal Audit. Among other responsibilities, the audit committee also monitors the integrity of the financial statements of the Company, compliance by the Company with legal and regulatory requirements, the qualifications and independence of the Company s independent registered public accounting firm, performance of the Company s internal and independent auditors and the business practices and ethical standards of the Company. The audit committee held four executive sessions during 2008 with the Company s independent registered public accounting firm, KPMG LLP.

Asset-Liability Committee (ALCO). The asset-liability committee is responsible for assisting the Board in fulfilling it s responsibilities relating to the interest rate risk, capital adequacy, liquidity and balance sheet growth strategies of the Company. The committee monitors the Bank s interest rate risk, as a whole, within certain tolerance levels while ensuring adequate liquidity and capital.

Compensation Committee (Compensation). The compensation committee is responsible for establishing the Company s executive compensation standards and overseeing the administration of the Company s compensation and benefits programs, including its equity compensation programs. The committee is also responsible for overseeing the administration of the employee benefit and compensation programs of the Bank.

Corporate Governance/Nominating Committee (CGNC). The corporate governance/nominating committee is responsible for assisting the Board with fulfilling its oversight responsibility to shareholders, potential shareholders, and the investment community with respect to the appropriate and effective governance of the Company. The committee develops and recommends to the Board the corporate governance principles applicable to the overall governance of the Company. The committee s specific responsibilities include developing and recommending to the Board independence standards for Board members, evaluating the performance of the Board and its various committees, recommending to the Board the appointment of individual directors to the Board s various committees, recommending to the Board the director nominees for election at the Company s annual meeting of shareholders, developing and recommending criteria for the selection of new directors and reviewing and making recommendations on shareholder proposals.

Strategic Growth Planning Committee. The strategic growth planning committee was established in 2008. The committee was established to assist the Board in fulfilling its responsibilities pertaining to identifying and evaluating strategic growth opportunities for the Company.

Marketing and Business Development Committee (Marketing). The marketing and business development committee oversees the Bank s marketing and branding initiatives, business development and sales efforts, and determines if they are consistent with the strategic plan, goals and values of the Bank.

Banking Technology Steering Committee (Technology). The banking technology steering committee is responsible for overseeing the technology related functions of the Bank with particular attention to operational risk management.

Investment Advisory Group Committee (IAG). The investment advisory group committee is responsible for ensuring that prudent care and discretion are followed in the investment and fiduciary oversight of client assets. The committee also has oversight responsibility for the Bank s sale of investment (brokerage) products through an independent third-party broker.

Loan Committee. The loan committee reviews information and reports relating to the composition, status, delinquency and classification of both consumer and commercial loans within the Bank s loan portfolio as well as any OREO assets (i.e., foreclosed property held by the Bank). The committee also reviews certain larger construction lending projects and relationships. The overall mission of the committee is to monitor the quality of, and trends in, the Bank s loan portfolio as well as various other internal and external factors that may impact loan quality. The committee not only identifies and informs the Board of any unfavorable trends that it may detect in the Bank s loan portfolio, but also recommends actions that may be taken to mitigate portfolio risk.

The following table provides 2008 membership by current Directors and meeting information for each of the standing committees of the Company and the Bank:

	Executive (1)	**Audit**	**ALCO (1)**	**Compensation**	**CGNC**	**Strategic Growth Planning**	**Marketing**	**Technology**	**IAG (1)**	**Loan**
Ansin			X*				X			X
Clancy	X		X			X	X*	X	X	X
Clementi	X			X	X				X*	
Conway	X			X*	X	X				
Cowan	X	X		X				X*		X
Donahue										
Duncan	X		X			X	X		X	
Flynn		X			X			X		
Hanson	X			X		X				X*
Harrington		X	X		X		X			X
Lerner	X		X	X	X*	X			X	
Main	X*		X			X	X		X	X
Putziger			X			X*			X	X
Reid		X**	X					X	X	
Spinelli			X				X	X	X	
Stavropoulos		X*			X	X				
Total Meetings Held in 2008	9 mtgs	9 mtgs	5 mtgs	9 mtgs	4 mtgs	3 mtgs	4 mtgs	3 mtgs	7 mtgs	5 mtgs

*indicates Committee Chairperson

**indicates Committee Vice Chairperson

(1) Up to two additional members are chosen to serve on a three-month rotating basis from among the remaining members of the Board of Directors.

DIRECTOR COMPENSATION

All members of the Board of Directors are Directors of the Company and of the Bank. All compensation paid to the Directors for their service as members of the Board of Directors is paid through the Bank. The Bank pays $350 to non-employee Directors for attendance at Board of Directors meetings, executive committee meetings and audit committee meetings. The Bank pays $250 to non-employee Directors for attendance at all other committee meetings. In addition to these per meeting fees, the Bank also pays annual retainers to non-employee Directors for their membership on the Board of Directors and for their additional services in various Board-related and other corporate capacities as detailed in the following table:

	Annual Retainer	
Board of Directors	$	7,200(1)
Executive Committee members	$	1,800(2)
Audit Committee Chairperson	$	7,500(3)
Audit Committee Vice-Chairperson	$	4,000(3)
Asset-Liability Committee Chairperson	$	6,000(3)
Compensation Committee Chairperson	$	6,000(3)
Corporate Governance/ Nominating Committee Chairperson	$	6,000(3)
Strategic Growth Planning Committee Chairperson	$	6,000(3)
Banking Technology Steering Committee Chairperson	$	6,000(3)
Investment Advisory Group Committee Chairperson	$	6,000(3)
Loan Committee Chairperson	$	6,000(3)
Secretary	$	500(3)

(1) Retainer is paid in equal monthly installments.

(2) The annual retainer paid to members of the Executive Committee is based on the actual number of Executive Committee meetings held. Members are paid a retainer of $200 per meeting or $1,800 annually based on the Company s current practice of holding nine meeting per year

(3) All other retainers are paid in equal quarterly installments.

Directors who are also full-time salaried officers of the Bank are not paid for attending Board of Directors or committee meetings and do not receive retainers of any kind for their services in any capacity as Directors.

For the year 2008, non-employee Directors had the right to make an irrevocable election (by December 31, 2007) to receive shares of Common Stock in lieu of receiving an elected portion of cash fees. The number of shares issued to non-employee Directors pursuant to this election was based on the value of the Common Stock at January 2, 2008, based on the average of the high and low trade prices of the Common Stock on the NASDAQ Global Market on that date. For the year 2008, the Company issued a total of 13,013 shares of Common Stock to nine non-employee Directors at a per share issuance price of $12.875. These shares were issued in January 2009. For the year 2009, non-employee Directors have the same option to receive shares of Common Stock in lieu of cash fees at a per share issuance price of $11.275, which reflects the value of the Common Stock at January 2, 2009, based on the average of the high and low trade prices of the Common Stock on the NASDAQ Global Market on that date.

The Company believes that giving non-employee Directors the option to receive stock in lieu of cash fees further aligns such Directors interests with those of the Company s shareholders.

The following table details the total compensation paid to each non-employee Director for the year ended December 31, 2008.

Name	**Fees Earned or Paid in Cash ($) (1)**	**Total ($)**
Kenneth S. Ansin	$ 17,250	$ 17,250
John R. Clementi	$ 26,750	$ 26,750
James F. Conway, III	$ 23,500	$ 23,500
Carole A. Cowan	$ 27,400	$ 27,400
Nancy L. Donahue	$ 12,550	$ 12,550
Lucy A. Flynn	$ 16,350	$ 16,350
Eric W. Hanson	$ 27,100	$ 27,100
John P. Harrington	$ 21,100	$ 21,100
Arnold S. Lerner	$ 28,500	$ 28,500
Michael T. Putziger	$ 16,100	$ 16,100
Carol L. Reid	$ 23,700	$ 23,700
Michael A. Spinelli	$ 16,250	$ 16,250
Nickolas Stavropoulos	$ 21,050	$ 21,050

(1) All non-employee Directors, excluding Messrs. Hanson, Lerner, Putziger and Spinelli, elected to receive all or a portion of their total Director compensation in shares of Common Stock, which were issued in January 2009.

During 2008, none of the above listed non-employee Directors received any stock awards, option awards or non-equity incentive plan compensation, nor did they have pensions or nonqualified deferred compensation earnings. None of the above-listed non-employee Directors held any outstanding stock options as of December 31, 2008.

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INFORMATION REGARDING EXECUTIVE OFFICERS AND OTHER SIGNIFICANT EMPLOYEES

Set forth below is certain information regarding the executive officers of the Company (including the Bank), other than those executive officers who are also Directors of the Company and for whom such information is provided elsewhere in this Proxy Statement. Each individual named below has held his position for at least five years, except as otherwise indicated.

Name	**Age**	**Position**
Robert R. Gilman	64	Executive Vice President, Administration, and Commercial Lender of the Bank
Stephen J. Irish	54	Executive Vice President and Chief Information Officer of the Bank; prior to January 1, 2005, also Chief Operations Officer of the Bank
James A. Marcotte	51	Executive Vice President, Chief Financial Officer and Treasurer of the Company and the Bank; prior to January 1, 2005, Senior Vice President and Chief Financial Officer of the Company and the Bank

COMPENSATION DISCUSSION AND ANALYSIS

Objectives and Design

The Company s core compensation philosophy provides that total annual compensation levels should: (1) be competitive relative to those found in other commercial banking organizations of comparable asset size and performance; (2) reflect individual responsibilities, performance, and contributions to the Company; and (3) provide incentive to achieve business and financial objectives within reasonable risk parameters. The Company believes that this compensation philosophy is necessary to attract, motivate and retain highly qualified executives, who are essential to achieving the financial goals set by the Board of Directors and sustaining long-term value for shareholders, while operating the Company in a safe and sound manner.

Consistent with this philosophy, the Compensation Committee regularly obtains information regarding compensation levels in the Company s industry through various sources, including compensation surveys conducted by banking industry associations and independent compensation consultants. The Company also regularly reviews the responsibilities and ongoing contributions of executive officers to the Company. Elements of compensation are established with the goal of rewarding the executive officers for the attainment of both individual and organizational short- and long-term goals.

Under the Compensation Committee Charter, the Compensation Committee reviews the performance of the Company s Chairman and Chief Executive Officer and recommends any necessary changes in their compensation to the Board of Directors for review and approval. In addition, the Chief Executive Officer of the Company evaluates the performance of the remaining executive officers and recommends compensation adjustments to the Compensation Committee. The Compensation Committee reviews the Chief Executive Officer s recommendations and recommends executive compensation adjustments to the Board of Directors for approval.

The Company at least annually assesses total compensation paid to its executive officers. As part of this process, the Compensation Committee assesses and evaluates the elements of total compensation, as paid to executive officers as a group and/or to individual executives, and determines if any modifications are advisable.

Elements and Rationale

Executive compensation may include the following components in addition to an executive s base salary: incentive cash compensation, long-term equity compensation, supplemental retirement benefit, supplemental life insurance benefit, income protection following a termination of employment under various circumstances, including following a change in control of the Company, and perquisites, including club memberships and automobiles. Each of these components is reviewed and approved by the Compensation Committee and the Board of Directors on at least an annual basis. The Company believes that by using a combination of these elements it is best able to find an effective balance in motivating each executive to achieve long-term and short-term goals without taking unnecessary or excessive risks that could threaten the Company s financial condition or prospects, thereby enhancing long-term shareholder value. In establishing the components of compensation for each individual executive officer, the Compensation Committee considers the performance of the individual, the executive s designation or role within the organization and the cost to the Company of the various components of compensation to be provided.

Base Salary

The Company has periodically engaged Pearl Meyer & Partners to review the cash elements of the Company s executive compensation and provide comparative market information on overall total compensation. Based upon these comprehensive salary reviews and comparative assessments performed by Pearl Meyer & Partners, and a review of each individual executive s responsibilities and performance, as well as a consideration of the various components of compensation provided to the individual executives, the 2008 annual base salary for Mr. Duncan was $203,900, Mr. Clancy was $350,000, Mr. Main was $193,920, Mr. Marcotte was $187,720, and Mr. Gilman was $166,880. Mr. Clancy assumed the role of Chief Executive Officer in 2007, and the increase in his base salary in 2008 was part of a two-year phased approach, which was intended to bring his total compensation to a level consistent with a position encompassing his responsibilities at comparable institutions.

In early 2009, the Company engaged the same consulting firm to conduct an updated comparative market review of the Company s executive annual cash compensation program. Based upon this comparative assessment, a review of each executive s breadth of responsibilities, performance, and contributions, a review of the overall total compensation that each executive was reasonably likely to earn in 2009 and the current economic environment, the Compensation Committee recommended, and the Board of Directors approved, an increase in Mr. Main s base salary to $218,920, effective March 29, 2009, while maintaining the base salaries for each of Messrs. Duncan, Clancy, Marcotte and Gilman at their 2008 levels.

Incentive Compensation

The Company maintains a bank-wide incentive compensation program, the terms of which are established by the Compensation Committee, subject to Board approval, on a year-to-year basis. The purpose of this incentive compensation program is to align each

employee s interests with the short-term and long-term strategic goals of the Company. Under the program, if adopted in any given year, all employees, including executive officers, may be eligible to receive an annual incentive bonus based upon the attainment of various predetermined financial performance goals, which vary in part with the different functional areas of the Company. Under the program, if potential incentive payouts are established in a given year, the payouts are set as a percentage of an employee s annual earnings, subject to achieving minimum performance targets before any payments are earned. The amount of an individual employee s potential bonus under the program is determined not only on the basis of the individual s role or responsibility within the Company, but also, if there is a payout, it may be adjusted positively or negatively based upon the individual s performance. The target incentive payout for executive officers in 2008 was

17.5% of annual base wages, exclusive of bonus, individual or referral incentive payments, with a range from no payout to a maximum payout of 52.5% of annual base wages. Key financial performance goals for executives under the program in 2008 were net income growth (50% weighting) and other specified growth factors, including growth in loans, deposits and investment management assets (50% weighting). Given the challenging economic environment, senior management recommended and the Compensation Committee approved a net income threshold applicable to executive officers that was higher than the net income threshold applicable to the Company s remaining employees.

Incentive cash compensation to the executive officers for 2008 was calculated using the predetermined financial goals established for the year under the incentive program. Because the Company did not meet minimum net income growth of 5%, executives did not earn an incentive payout in 2008.

Long-Term Equity Compensation

The Company aligns the interests of its executives with the long-term interests of stockholders through the granting of equity-based compensation awards, which have been in the form of stock options and, to a lesser extent, restricted stock and have been granted in all cases at current fair market value. In connection with its compensation program, the Company evaluates the issuance of option grants or other equity-based awards to employees on an annual basis. Options to executive officers have been considered and granted at the same time that options have been granted for all employees during the first quarter of each year. In addition, dependent upon an individual s position and level of responsibility and the recommendation of executive management, the Compensation Committee may grant selected newly hired officers stock options or other equity-based awards on the date of hire. Stock options and other equity-based awards are granted to executives both to reward performance and as a retention tool. The total number of options or value of other equity-based awards granted is determined after considering various factors such as overhang and run rate, which are both measurements of potential dilution. The number of options or value of other equity-based awards granted to individual employees, including executives, is also based upon various factors, but is primarily based upon an employee s level of responsibility and individual performance and contribution. Stock option grants and other equity-based awards to all employees are recommended by executive management and are subject to the approval of the Compensation Committee. In addition to the recommendation of executive management and Compensation Committee approval, all options or other equity-based awards granted to executive officers must also be approved by the full Board of Directors. In all cases, the exercise price of the option or other equity-based award is established based on the market price of the Company s stock on the date that the option or other award is granted.

On March 18, 2008, the Company granted a total of 131,000 options to employees at an exercise price of $12.75 per share, which reflected the market price of the Company s common stock on the date of grant. Of the 131,000 options granted, the Board approved grants of 10,000 to Mr. Duncan, 10,000 to Mr. Clancy, 7,500 to Mr. Main, 3,500 to Mr. Marcotte, and 3,500 to Mr. Gilman.

In late 2008, the Company engaged The Wilson Group to review its equity award program to develop a comprehensive long-term equity program, and to review the equity grants that would be provided to the executives. Based upon both The Wilson Group s recommendations and a comprehensive review of other companies practices, the Company revised its equity program in early 2009 to increase the use of restricted stock relative to stock options and to align further the actions of the Company s executive leaders and management with the objective of building a market leading, enduring Company. The revised program is intended to (1) enhance management s sense of ownership and commitment to the long-term success of the Company, (2) encourage and reward management performance that increases the long-term success and shareholder value of the Company, and (3) attract and retain the senior leadership and management talent the Company needs to be successful. At this time, the Compensation Committee anticipates that restricted stock as well as stock options will continue to serve as the primary vehicles to be used to achieve these objectives.

Under the revised program, on March 17, 2009, the Company granted a total of 51,050 options, at an exercise price of $8.75 per share (which reflected the market price of the Company s common stock on the date of the grant), and 83,200 shares of restricted stock. Of the options and restricted stock shares granted, the Board approved grants to the executive officers as follows: 40,000 shares of restricted stock to Mr. Duncan, 2,000 options and 5,000 shares of restricted stock to Mr. Marcotte, and 2,000 options and 2,000 shares of restricted stock to Mr. Gilman. Mr. Main has not received a stock grant for 2009, which reflects the Compensation Committee s consideration of the different elements of compensation he will receive in 2009 and the total compensation he is reasonably likely to earn for the year. Mr. Clancy also has not received a stock grant for 2009, which reflects his specific request to forego any additional compensation at this time. The number of options and shares of restricted stock granted to the executives for 2009 are considered to be consistent with the Company s objective of maintaining a reasonable level of employee participation in the Company s equity compensation program and to be within competitive ranges for executive management based upon the current business environment.

Supplemental Retirement Benefit and Supplemental Life Insurance Benefit

The Company believes that providing supplemental retirement and supplemental life insurance benefits provide a long-term retention tool for employees in management positions as well as providing a reward component to the executive.

The Bank is party to salary continuation and supplemental life insurance agreements with each of Messrs. Duncan, Main and Gilman. The terms of these salary continuation agreements, which were amended in 2008 to ensure compliance with the Treasury s final regulations under Section 409A of the Code, and the annual amounts payable to the executives thereunder, are described further at page 33 below. The annual expense incurred by the Company in maintaining this supplemental retirement benefit for each executive equals the annual increase of the present value of the accumulated benefit to be paid to the executive. This amount is included for each of the executives in the Summary Compensation Table at page 24 below under the heading Change in Pension Value and Nonqualified Deferred Compensation Earnings .

The supplemental life insurance benefits that are payable to Messrs. Duncan, Main and Gilman are included in the amounts shown as payable in the event of death in the table at page 32 below and are specifically referenced in footnote 3 to the table.

During 2006, the Company initiated a supplemental life insurance benefit plan for a number of its employees in management positions. Under this plan, the Company has provided supplemental life insurance benefits to the employees, subject to certain restrictions. Mr. Clancy and Mr. Marcotte participate in this plan and the amounts of their supplemental life insurance benefits are included in the amounts shown as payable in the event of death in the table at page 32 below and are specifically referenced in footnote 3 to the table.

Income Protection

In addition to the above noted elements of compensation, Messrs. Duncan, Main and Clancy have employment agreements with the Company (which include non-competition restrictions) and Mr. Gilman has a change in control/noncompetition agreement with the Company. These agreements provide the executive with income protection in the event of a termination of his employment under various circumstances, including following a change in control of the Company. The Company believes these agreements are an important tool in retaining key executives while providing protection to the Company by restricting the executive s ability to compete in the Company s marketplace if he were to leave prior to any change in control. The terms of these agreements, which were amended and restated in 2008 to ensure compliance with the Treasury s final regulations under Section 409A of the Code and to simplify certain provisions contained therein, are described at pages 29-31 below and the amounts payable thereunder to the executives under various termination scenarios are included in the table at page 32 below. The Company believes that the non-competition protection afforded by these agreements is critical in the Company s competitive marketplace and that the payment amounts and related conditions thereto contained in the agreements are consistent with reasonable industry standards. The maximum amounts that may be paid to any executive under any of these agreements are limited by automatic cutback provisions that ensure payments will not exceed the limits specified under Section 280G of the Code.

Perquisites

In addition to their participation in the Company s general employee benefit plans, as described in footnote 5 of the Summary Compensation Table at pages 24-25 below, the Company also provides company-owned vehicles for the use of Messrs. Duncan, Main and Clancy and the Company pays dues related to club memberships for business development purposes for Messrs. Duncan and Main. The Compensation Committee believes that the cost of these additional perquisites is modest for the size of the Company and that providing them is consistent with maintaining a competitive total compensation and benefits package for senior management.

2008 Executive Compensation Program

In determining the executive officers total 2008 compensation (including base salary, total incentive compensation levels, long-term equity compensation, supplemental retirement benefits and other perquisites), there were no significant changes made from the prior year in the elements used or the rationale applied by the Compensation Committee. Each executive officer s total compensation in 2008 reflected the Compensation Committee s assessment of his responsibilities, performance and contributions as well as the comparative market data provided by Pearl Meyer & Partners. In referring to such comparative data, the Compensation Committee sought to confirm that its compensation decisions for each individual executive were reasonable, but it did not use such information for purposes of benchmarking in any way either an executives total compensation or any element thereof.

The Company believes that its 2008 executive compensation program successfully linked executive compensation to the Company s financial performance.

COMPENSATION COMMITTEE MATTERS

Role of the Compensation Committee

The Compensation Committee of the Board of Directors is comprised of five members, four of whom are deemed to be independent and one, Mr. Lerner, who is temporarily deemed to be not independent as described further under the heading Independence of Board of Directors at pages 12-13 above. It is the responsibility of the Compensation Committee to review the performance of the Chairman and Chief Executive Officer and recommend any necessary changes in their compensation to the Board of Directors for review and approval. The Company s Chief Executive Officer evaluates the performance of the remaining executive officers and recommends compensation adjustments to the Compensation Committee. The Compensation Committee reviews the Chief Executive Officer s recommendations and recommends executive compensation adjustments to the Board of Directors for approval. During 2008, the Board of Directors approved all recommendations presented by the Compensation Committee.

The Compensation Committee has the authority to retain or obtain advice from independent advisors as it deems necessary to perform its role. During 2008, the Committee obtained the services of Pearl Meyer & Partners and The Wilson Group which are discussed in further detail in the Company s Compensation Discussion and Analysis at pages 18-22 above.

The Compensation Committee operates under a written charter, a copy of which can be found on the Company s website (www.enterprisebanking.com).

Compensation Committee Report

The Compensation Committee has reviewed and discussed the Company s Compensation Discussion and Analysis contained at pages 18-22 above (the CD&A) with management and based on this review and discussion the Compensation Committee has recommended to the Board of Directors that the CD&A be included in this Proxy Statement.

James F. Conway III (Chairperson)

John R. Clementi

Carole A. Cowan

Eric W. Hanson

Arnold S. Lerner

Compensation Committee Interlocks and Insider Participation

The Directors listed above under the heading Compensation Committee Report at page 23 constitute all of the individuals who served as members of the Compensation Committee during the year ended December 31, 2008. None of these Directors was an officer or employee of the Company at any time during such period or has ever been an officer of the Company. None of these Directors has had any relationship with the Company that would require disclosure in this Proxy Statement under the heading Transactions with Certain Related Persons at pages 35-36 below under applicable SEC rules.

As described in further detail under the heading Transactions with Certain Related Persons at pages 35-36 below, the members of the Compensation Committee, as well as businesses and other entities with which they may be affiliated, are customers of the Bank and/or have entered into loan transactions with the Bank in the ordinary course of business.

EXECUTIVE COMPENSATION

Summary Compensation Table

The following table sets forth the compensation paid by the Company (through the Bank) for services rendered in all capacities during the years ended December 31, 2008, December 31, 2007, and December 31, 2006, to the Chief Executive Officer, the Chief Financial Officer and each of the three other most highly compensated executive officers of the Bank (the Named Executive Officers). The Company does not employ any persons, other than through the Bank.

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SUMMARY COMPENSATION TABLE

Name and Principal Position	Year	Salary ($) (1)	Bonus ($)	Stock Awards ($) (2)	Option Awards ($) (3)	Non-Equity Incentive Plan Compen-sation ($)	Change in Pension Value and Nonqualified Deferred Compensation Earnings ($) (4)	All Other Compen-sation ($) (5)	Total ($)
George L. Duncan	2008	$ 203,920	$	$	$ 24,700	$	$ 259,486	$ 35,618	$ 523,724
Chairman of the Company and the Bank	2007	$ 203,985	$	$	$ 47,970	$ 17,841	$ 391,180	$ 40,134	$ 701,110
	2006	$ 203,920	$	$	$	$	$ 361,201	$ 34,202	$ 599,323
Richard W. Main	2008	$ 189,015	$	$	$ 19,638	$	$ 201,757	$ 23,206	$ 433,616
President of the Company and the Bank and Chief	2007	$ 194,774	$	$	$ 20,047	$ 16,968	$ 186,295	$ 24,189	$ 442,273
Lending Officer of the Bank	2006	$ 195,247	$	$	$ 18,535	$	$ 172,017	$ 20,821	$ 406,620
John P. Clancy, Jr.	2008	$ 319,414	$	$ 49,875	$ 31,113	$	$	$ 13,874	$ 414,276
Chief Executive Officer of the Company and the Bank	2007	$ 275,050	$	$ 49,875	$ 28,860	$ 24,062	$	$ 14,048	$ 391,895
	2006	$ 190,080	$	$ 49,875	$ 21,605	$	$	$ 11,588	$ 273,148
Robert R. Gilman	2008	$ 160,734	$	$	$ 8,645	$	$ 42,521	$ 8,591	$ 220,491
Executive Vice President, Administration, and	2007	$ 168,040	$	$	$ 39,646	$ 14,602	$ 100,630	$ 9,066	$ 331,984
Commercial Lender of the Bank	2006	$ 156,920	$	$	$ 11,290	$	$ 92,917	$ 8,396	$ 269,523
James A. Marcotte	2008	$ 179,066	$	$	$ 11,780	$	$	$ 6,889	$ 197,735
Executive Vice President, Treasurer and	2007	$ 180,500	$	$	$ 11,621	$ 15,794	$	$ 6,115	$ 214,030
Chief Financial Officer of the Company and the Bank	2006	$ 170,500	$	$	$ 8,546	$	$	$ 6,888	$ 185,934

(1) Messrs. Main, Gilman and Marcotte forewent two weeks of their salary in 2008 as the Company is in the process of transitioning to arrears payroll processing. Mr. Clancy elected to receive vacation pay at the time he transitioned to arrears payroll. Mr. Duncan will make an election at a future date.

(2) For Mr. Clancy, the value of the stock awards is based on the accounting expense recognized by the Company in 2008, 2007 and 2006 with respect to a grant of restricted stock in 2005. The expense is recognized over the vesting period of the restricted stock. For additional information regarding the valuation of these stock awards, refer to footnote 9 on page 89 of the Company s Annual Report on Form 10-K. For information on vesting, refer to the table Outstanding Equity Awards at Fiscal Year-End and the associated footnote 2 at pages 28-29 below.

(3) The value of the option awards is based on the accounting expense recognized by the Company in 2008, 2007 and 2006 with respect to options previously granted in 2004, 2005, 2007 and 2008. The expense is recognized over the vesting period of the option. For assumptions used in calculating the value of option awards, refer to footnote 9 on page 88 of the Company s Annual Report on Form 10-K. For information on vesting, refer to the table Outstanding Equity Awards at Fiscal Year-End and the associated footnote 1 at pages 28-29 below.

(4) For each of Messrs. Duncan, Main, and Gilman, this amount is equal to the increase in 2008, 2007 and 2006 of the present value of the accumulated benefit attributable to the executive s supplemental retirement plan.

(5) For each of the named executive officers, these amounts include the following:

•Annual matching contributions by the Bank to the Bank s 401(k) plan:

	2008	2007	2006
Duncan	$ 5,882	$ 6,098	$ 6,661
Main	$ 5,595	$ 5,819	$ 5,317
Clancy	$ 6,900	$ 7,750	$ 6,213
Gilman	$ 5,254	$ 5,011	$ 4,708
Marcotte	$ 5,839	$ 5,346	$ 6,295

•Life insurance premiums paid:

	2008	2007	2006
Duncan	$ 20,542	$ 25,150	$ 22,177
Main	$ 5,713	$ 6,898	$ 5,382
Clancy	$ 1,737	$ 1,872	$ 467
Gilman	$ 3,337	$ 4,055	$ 3,688
Marcotte	$ 1,050	$ 769	$ 593

•The amount attributed to the personal use of Bank owned automobiles:

	2008	2007	2006
Duncan	$ 5,291	$ 4,983	$ 1,773
Main	$ 4,045	$ 3,619	$ 2,840
Clancy	$ 5,237	$ 4,426	$ 4,908

•The amount paid to a local club on the executive s behalf for business development purposes:

	2008	2007	2006
Duncan	$ 3,903	$ 3,903	$ 3,591
Main	$ 7,853	$ 7,853	$ 7,282

GRANTS OF PLAN-BASED AWARDS

The following table sets forth information concerning individual grants of stock options and non-equity incentive plan awards made during 2008 to each of the Named Executive Officers.

		Estimated Future Payouts Under Non-Equity Incentive Plan Awards (1)					
Name	**Grant Date**	**Threshold ($)**	**Target ($)**	**Maximum ($)**	**Option Awards: Number of Securities Underlying Options (#)**	**Exercise or Base Price of Option Awards ($/Sh) (2)**	**Grant Date Fair Value of Option Awards (3)**
George L. Duncan	3/18/08				10,000	$ 12.75	$ 24,700
	3/18/08	$ 0	$ 35,682	$ 107,047			
Richard W. Main	3/18/08				7,500	$ 12.75	$ 18,525
	3/18/08	$ 0	$ 32,673	$ 98,019			
John P. Clancy, Jr.	3/18/08				10,000	$ 12.75	$ 24,700
	3/18/08	$ 0	$ 55,897	$ 167,692			
Robert R. Gilman	3/18/08				3,500	$ 12.75	$ 8,645
	3/18/08	$ 0	$ 28,117	$ 84,351			
James A. Marcotte	3/18/08				3,500	$ 12.75	$ 8,645
	3/18/08	$ 0	$ 31,337	$ 94,010			

(1) No payments were made to the named executive officers under the non-equity incentive plan awards granted in 2008.

(2) The exercise price of all stock options granted to employees in 2008, including those granted to Named Executive Officers and reflected in this table, equals the average of the high and low trade prices of the Common Stock on the NASDAQ Global Market on the date of grant as required under the Company s 2003 Stock Incentive Plan.

(3) For assumptions used in calculating the grant date fair value of option awards, refer to footnote 9 on page 88 of the Company s Annual Report on Form 10-K.

OPTION EXERCISES AND STOCK VESTED

The following table sets forth information concerning the exercise of stock options and the vesting of stock awards for each of the Named Executive Officers during the year ended December 31, 2008:

	Option Awards		Stock Awards	
Name	**Number of Shares Acquired on Exercise (#)**	**Value Realized Upon Exercise ($) (1)**	**Number of Shares Acquired on Vesting (#)**	**Value Realized on Vesting ($) (2)**
George L. Duncan		$		
Richard W. Main		$		
John P. Clancy, Jr.		$	3,500	$ 38,920
Robert R. Gilman	2,000	$ 7,880		
James A. Marcotte		$		

(1) The value realized upon exercise calculations in the third column from the left above are based upon the difference between the value of the Common Stock on the option exercise date and the per share exercise price of the options. The value on the exercise date was based on the closing market price of the stock on the NASDAQ Global Market on the exercise date.

(2) The value realized on vesting calculation in the far right column is based upon the value of the Common Stock on the vesting date of the restricted stock. The value on the vesting date was based on the closing market price of the stock on the NASDAQ Global Market on the vesting date.

OUTSTANDING EQUITY AWARDS AT FISCAL YEAR-END

The following table sets forth information concerning unexercised stock options and unvested stock awards held by each of the Named Executive Officers as of December 31, 2008. The Company has not granted any option awards that are unexercised and unearned and not otherwise disclosed in the table or any stock awards that are unearned and have not vested and are not otherwise disclosed in the table.

OUTSTANDING EQUITY AWARDS AT FISCAL YEAR-END

	Option Awards				Stock Awards	
Name	**Number of Securities Underlying Unexercised Options (#) Exercisable**	**Number of Securities Underlying Unexercised Options (#) Unexercis-able (1)**	**Option Exercise Price ($)**	**Option Expiration Date**	**Number of Shares or Units of Stock that Have not Vested (#) (2)**	**Market Value of Shares or Units of Stock that Have Not Vested ($) (3)**
George L. Duncan	28,000	0	$ 9.11	6/6/09		
	28,000	0	$ 15.34	12/31/10		
	28,000	0	$ 14.375	8/2/13		
	13,000	0	$ 16.50	3/6/14		
	10,000	0	$ 12.75	3/17/15		
Richard W. Main	14,000	0	$ 9.11	6/6/09		
	14,000	0	$ 15.34	12/31/10		
	10,500	3,500	$ 14.375	8/2/13		
	1,625	4,875	$ 16.50	3/6/14		
	0	7,500	$ 12.75	3/17/15		
John P. Clancy, Jr.	11,000	0	$ 9.11	6/6/09	7,000	$ 79,100
	13,000	0	$ 15.34	12/31/10		
	15,000	5,000	$ 14.375	8/2/13		
	3,250	9,750	$ 16.50	3/6/14		
	0	10,000	$ 12.75	3/17/15		
Robert R. Gilman	4,000	0	$ 9.11	6/6/09		
	8,000	0	$ 15.34	12/31/10		
	9,000	0	$ 14.375	8/2/13		
	4,000	0	$ 16.50	3/6/14		
	3,500	0	$ 12.75	3/17/15		
James A. Marcotte	6,000	0	$ 15.34	12/31/10		
	6,750	2,250	$ 14.375	8/2/13		
	1,000	3,000	$ 16.50	3/6/14		
	0					