ENTERPRISE FINANCIAL SERVICES CORP
Form DEF 14A
March 11, 2011

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]
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| [X] | Definitive Proxy Statement | | |
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ENTERPRISE FINANCIAL SERVICES CORP
(Name of Registrant as Specified In Its Charter)

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3) Filing Party:

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# ENTERPRISE FINANCIAL SERVICES CORP

150 NORTH MERAMEC
CLAYTON, MISSOURI 63105

## NOTICE OF 2011 ANNUAL MEETING OF STOCKHOLDERS

The Annual Meeting of Stockholders of Enterprise Financial Services Corp will be held at the Donald Danforth Plant Science Center, 975 North Warson Road, Saint Louis, Missouri 63132 on Thursday, April 21, 2011, at 4:00 p.m. local time, for the following purposes:

1. to elect 11 directors to hold office until the next Annual Meeting of Stockholders or until their successors are elected and have qualified; and

2. to ratify the selection of Deloitte & Touche, LLP as the Company's independent registered public accounting firm for the year ending December 31, 2011.

3. to consider adoption of an advisory (non-binding) resolution approving executive compensation.

The Board of Directors has fixed the close of business on March 1, 2011 as the record date for the determination of stockholders entitled to notice of and to vote at the meeting.

It is important that your shares be represented and voted at the meeting. You have three options for voting your shares:

1. vote via the Internet,

2. vote via the telephone or

3. complete and return the proxy card sent to you.

For Internet or telephone voting, instructions are printed on the proxy card sent to you. You can revoke a proxy at any time prior to its exercise at the meeting by following the instructions in the accompanying proxy statement.

By Order of the Board of Directors,

Noel J. Bortle, Secretary
Clayton, Missouri
March 11, 2011

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# ENTERPRISE FINANCIAL SERVICES CORP

150 NORTH MERAMEC
CLAYTON, MISSOURI 63105

## PROXY STATEMENT

These proxy materials are delivered by the Board of Directors of Enterprise Financial Services Corp (the "Company" or "EFSC"), in connection with the solicitation of proxies to be voted at the 2011 Annual Meeting of Stockholders or any adjournment or postponement thereof.

This Proxy Statement and the proxy card were first mailed to stockholders on or about March 11, 2011.

QUESTIONS ABOUT THE MEETING AND THESE PROXY MATERIALS

What may I vote on?

1. The election of 11 directors to hold office until the next Annual Meeting of Stockholders or until their successors are elected and have qualified.

2. Proposal A, ratification of the selection of Deloitte & Touche LLP as independent registered public accounting firm for fiscal 2011.

3. Proposal B, an advisory (non-binding) vote to approve our executive compensation, as disclosed in this proxy statement.

THE BOARD UNANIMOUSLY RECOMMENDS A VOTE FOR THE ELECTION AS DIRECTORS OF THE NOMINEES NAMED HEREIN AND A VOTE IN FAVOR OF PROPOSALS A AND B.

Who can vote at the meeting? Our Board of Directors has set March 1, 2011 as the record date for the Annual Meeting. All stockholders who owned our common stock at the close of business on the record date may attend and vote at the Annual Meeting. On the Record Date, there were 14,928,324 shares of common stock outstanding. Shares held as of the record date include shares that are held directly in your name as the stockholder of record and those shares held for you as a beneficial owner through a stockbroker, bank or other nominee.

How do I vote my shares?

If your shares are registered directly in your name with our stock transfer agent, Computershare, you are considered a stockholder of record and the beneficial owner of those shares. As a stockholder of record, you have the right to grant your voting proxy directly to the Company, or to vote in person at the meeting.

If your shares are held in a stock brokerage account or by a bank, you are still considered the beneficial owner of those shares, but your shares are said to be held in "street name." Generally, only stockholders of record may vote in person at the meeting. If your shares are held in street name, you will receive a form from your broker or bank seeking instruction as to how your shares should be voted. If you desire to vote shares held in street name in person at the meeting, you need to contact your broker and ask how to obtain a "legal proxy" to directly vote such shares.

Distribution of Proxy Solicitation and Other Required Annual Meeting Materials

Rules adopted by the U.S. Securities & Exchange Commission, or SEC, permit us to mail a notice to our stockholders advising that our proxy statement, annual report to stockholders, electronic proxy card and related materials are available for viewing, free of charge, on the Internet. Stockholders may then access these materials and vote over the Internet or request delivery of a full set of materials by mail or email. These rules help us lower the cost of conducting our annual meeting by reducing costs associated with printing and postage.

We will begin mailing the required Notice of Internet Availability of Proxy Materials to stockholders on or about March 11, 2011. The proxy materials will be posted on the Internet, at www.proxyvote.com, no later than the day we begin mailing the Notice. If you receive the Notice, you will not receive a paper or email copy of the proxy materials unless you request one in the manner set forth in the Notice.

The Notice of Internet Availability of Proxy Materials contains the following important information:

- The date, time and location of the annual meeting;
- A brief description of the matters to be voted on at the meeting;
- A list of the proxy materials available for viewing on www.proxyvote.com and the control number you will use to access the site; and
- Instructions on how to access and review the proxy materials online, how to vote your shares over the Internet, and how to get a paper or email copy of the proxy materials, if that is your preference.

Can I change my vote? Yes. If you are the stockholder of record, you may revoke your proxy at any time before the Annual Meeting by:

- entering a new vote by Internet or telephone;
- returning a later-dated proxy card;
- sending written notice of revocation to the Secretary of the Company; or
- attending the Annual Meeting and voting by ballot.

To change your vote for shares you hold in street name, you will need to follow the instructions provided by your broker or bank.

How are shares of Common Stock voted at the meeting? Each holder of Common Stock is entitled to one vote for each share of Common Stock held with respect to each matter to be voted upon; provided, however, that cumulative voting is available for the election of directors.

All shares of Common Stock represented at the Annual Meeting by properly executed proxies received prior to or at the Annual Meeting which are not properly revoked will be voted at the Annual Meeting in accordance with the instructions indicated on the proxies. If no contrary instructions are indicated, proxies will be voted FOR the election of the Board's director nominees and FOR approval of Proposals A and B.

What does cumulative voting in the election of directors involve? Under cumulative voting, each stockholder is entitled to cast a number of votes equal to the number of shares held by such stockholder multiplied by the total number of directors to be elected. These votes may be divided among all nominees equally or may be voted for one or more of the nominees, either in equal or unequal amounts, as the stockholder may elect. A plurality of votes cast at the Annual Meeting is required for the election of each director, which effectively means that the twelve persons receiving the most votes will be elected as directors. Shares held by a stockholder who elects to withhold authority to vote for all nominees will not participate in the election for directors but will be present for other quorum and business purposes. A stockholder who withholds authority to vote for one or more (but less than all) director nominees will be deemed to have elected to allocate all his votes equally among all remaining director nominees. Notwithstanding the foregoing, the proxies have, and may exercise, authority to cumulate and allocate votes among the nominees, including to allocate votes from other stockholders to vote in favor of the nominees as to which the “withholding stockholder” has withheld authority. If any other proposals were to come before the meeting, each stockholder would be entitled to one vote for each share of Common Stock held by such stockholder.

How many votes are required to adopt the other proposals? The non-binding proposal relating to our executive compensation and the proposal to ratify the engagement of Deloitte & Touche LLP as our independent registered public accounting firm each require a majority of the shares actually voting upon the matter regardless of whether the number of favorable votes constitutes a majority of the shares outstanding or a majority of the shares present at the meeting.

How do abstentions and broker non-votes affect the proposals to be voted on at the meeting? The abstention from voting by a stockholder present in person or by proxy will have no effect. If a broker or other nominee holder indicates on the Proxy Card that it does not have discretionary authority to vote the on a proposal (referred to as broker non-votes), those shares will be considered as present solely for purposes of determining whether a quorum is present.

Employees who are stockholders; voting shares in certain benefit plans. If you are a current or former employee of the Company or one of its subsidiaries and you have any portion of your investment funds allocated to the EFSC Common Stock Fund in the EFSC Incentive Savings Plan ("Savings Plan"), you may instruct the Savings Plan’s trustees how to vote the shares of EFSC Common Stock allocated to your account under the Savings Plan. You will instruct the voting of your stock in the same manner as other stockholders, i.e., by submitting your voting instructions by telephone or through the Internet or by requesting a proxy card to sign and return. Please see the Notice of Internet Availability of Proxy Materials we sent to you or this proxy statement for specific instructions on how to provide voting instructions by any of these methods. Please note that your voting instructions for stock you hold in the Savings Plan must be returned by 11:59 p.m. Eastern Time on April 15, 2011.

What if I don’t give specific voting instructions?

If you indicate a choice on your proxy on a particular matter to be acted upon, the shares will be voted as indicated.

If you are a stockholder of record and you return a signed proxy card but do not indicate how you wish to vote, the shares will be voted in favor of the election as directors of the nominees described in this proxy statement and for the other proposals. If you do not return the proxy card, your shares will not be voted and will not be deemed present for the purpose of determining whether a quorum exists.

If you are a beneficial owner and the broker or intermediary holding your account does not receive instructions from you as to how to vote those shares, under the rules of the New York Stock Exchange, that organization may not vote on either of our proposals, both of which are considered “non-routine” under those rules. As a beneficial owner, you will not be deemed to have voted on such non-routine proposals. The shares that cannot be voted by brokers on non-routine matters are commonly referred to as “broker non-votes”. Therefore, it is important that you vote your shares.

Who pays for this proxy solicitation? The Company will pay the entire cost of preparing, assembling, printing, mailing and distributing these proxy materials. In addition to solicitation by mail, proxies may be solicited in person or by telephone or by other means by the Company’s directors, officers or employees, who will not receive any additional compensation for solicitation activities. The Company has engaged Broadridge Financial Solutions, Inc., for a fee to be determined, to assist in the distribution and tabulation of proxies. The Company will also reimburse brokerage firms and other nominees, custodians and fiduciaries for costs incurred by them in mailing proxy materials to the beneficial owners of common stock as of the record date.

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The date of this Proxy Statement is March 11, 2011.

ELECTION OF DIRECTORS

The Board of Directors, upon recommendations of its Nominating and Governance Committee, has nominated for election the 11 persons named below. It is intended that proxies solicited will be voted for such nominees, in accordance with our cumulative voting structure as discussed above. The Board of Directors believes that each nominee named below will be able to serve, but should any nominee be unable to serve as a director, the persons named in the proxies have advised that they will vote for the election of such substitute nominee as the Board of Directors may propose.

The following biographical information is furnished with respect to each member of the Board of Directors of the Company, some of whom also serve as directors and officers of one or more of the Company's subsidiaries, including Enterprise Bank & Trust (the "Bank").

There are no family relationships between or among any directors or executive officers of the Company. Except as noted below, none of the Company's directors or executive officers serves as a director of (i) any company other than EFSC that has a class of securities registered under or that is subject to the periodic reporting requirements of the Securities Exchange Act of 1934, or (ii) any investment company registered under the Investment Company Act of 1940. All directors, other than Mr. Benoist have been determined to be independent for purposes of Rule 5605(a)(2) of the NASDAQ stock market.

| Name | Age | Director Since |
|---|---|---|
| Peter F. Benoist | 63 | 2002 |
| Michael A. DeCola | 57 | 2007 |
| William H. Downey | 66 | 2002 |
| John S. Eulich | 60 | 2010 |
| Robert E. Guest, Jr. | 56 | 2002 |
| Lewis A. Levey | 69 | 2005 |
| Birch M. Mullins | 67 | 1996 |
| James J. Murphy, Jr. | 67 | 2002 |
| Brenda D. Newberry | 57 | 2007 |
| John M. Tracy | 52 | 2010 |
| Sandra A. Van Trease | 50 | 2005 |

The biographies of the nominees below contain information regarding the person's service as a director, business experience, director positions held currently or at any time during the last five years, information regarding involvement in certain legal or administrative proceeds, if applicable, and the experience, qualifications, attributes or skills that caused the Nominating and Corporate Governance Committee and the Board to determine that the person should serve as a director.

James J. Murphy has been a director of the Company since 2002. Since 1982, Mr. Murphy has been the Chairman and Chief Executive Officer of Murphy Company, a mechanical specialty contracting firm. Mr. Murphy has been the Chairman of the Board of the Company since 2008 and served as the Lead Independent Director of the Company from November 2005 through May 2008. He is also a past chairman of the St. Louis Regional Business Council and is currently engaged in various community activities. Mr. Murphy has built a successful, private business and brings a long history of entrepreneurship which is the cornerstone of EFSC's strategy of focusing on the banking and wealth management needs of privately-held businesses, their owner families and other success-minded individuals.

Peter F. Benoist has been a director of the Company since 2002. Since May 2008, Mr. Benoist has been the President and Chief Executive Officer of the Company. Mr. Benoist was the Executive Vice President and Chairman and Chief Executive Officer of the Bank from October 2002 through May 2008, and served as the Chairman of the Company's Board from November 2005 through May 2008. Mr. Benoist was the Executive Director of the St. Louis Regional Housing and Community Development Alliance from 1999 through 2002. He has over thirty years of public company banking experience as an officer and director and has served on public company boards. Mr. Benoist brings deep knowledge of the Company and its business and is the voice of management on the Board.

Michael A. DeCola has been a director of the Company since 2007. Mr. DeCola has been the President and Chief Executive Officer of Mississippi Lime Company (calcium based chemical products) since 1999. Mr. DeCola serves on several private company boards in the St. Louis community and is the past chairman of the St. Louis Regional Business Council.

William H. Downey has been a director of the Company since 2002. Since 2003, Mr. Downey has been the President, Chief Operating Officer and a director of Great Plains Energy Inc., (NYSE: GXP), an electric utility company. Mr. Downey has also been the President and Chief Operating Officer of Great Plains Energy's subsidiary, Kansas City Power & Light Company since 2003 and 2008, respectively and served as Chief Executive Officer from 2003 to 2008. In addition, since 2008, he has served as President and Chief Operating Officer of Greater Missouri Operations, a subsidiary of Great Plains Energy. He also serves on several private company boards in the Kansas City community. Mr. Downey's broad strategic experience and knowledge of operations along with his experience in a publicly traded utility company and the related experience in regulatory relations at both a federal and state level is an asset for the board.

John S. Eulich has been a director of the Company since March 11, 2010. Mr. Eulich has been the President and Chief Executive Officer of INDEECO, a manufacturing company, since 2005. He has been a member of the Enterprise Bank & Trust Board of Directors since July 2009. Since 2005, Mr. Eulich has also been a director of LMI Aerospace (NASDAQ: LMIA) where he currently serves as a member of LMIA's Audit Committee and as the Chairman of LMIA's Compensation Committee. In addition to his public company experience, he is a successful entrepreneur and familiar with the needs of privately held businesses. He also is engaged in the St. Louis community through various boards.

Robert E. Guest, Jr. has been a director of the Company since 2002. Since 2007, Mr. Guest has been a partner at The Affinity Law Group. Mr. Guest was a partner at Doster Mickes James Ullom Benson & Guest, LLC, a law firm, from 2005 through 2007, and prior to that he was a partner at the law firm of Benson & Guest LLP, from 1986 through 2005. Mr. Guest brings significant legal experience in commercial activities and merger and acquisitions. He is also very familiar with the St. Louis and Kansas City business communities.

Lewis A. Levey has been a director of the Company since 2005. Since 1997, Mr. Levey has been the Chairman and Chief Executive Officer of Enhanced Value Strategies, Inc., a real estate consulting company. Mr. Levey serves as Trust Manager (Director) and Lead Independent Trust Manager of Camden Property Trust, a REIT focused on multi-family residential housing (NYSE: CPT). Mr. Levey brings expertise in local and national commercial real estate development and public company governance. He also has strong ties to the St. Louis business community.

Birch M. Mullins has been a director of the Company since 1996. He has been the President of Baur Properties, a real estate investment company, since 1988. Mr. Mullins is a successful real estate developer and brings expertise in St. Louis commercial real estate.

Brenda D. Newberry has been a director of the Company since 2007. Ms. Newberry is the retired Chairman of The Newberry Group, a global IT company she founded in 1996. She was the Chairman and Chief Executive Officer from 2006 through 2009, and was President and Chief Executive Officer from 1996 through 2005. Ms. Newberry has been a director of The Laclede Group, a natural gas distribution company, (NYSE: LG), since 2007 and has served on that company's Audit, Compensation and Investment committees. Ms. Newberry started, built and sold a successful, privately-held business after serving in the USAF for 6 years, a major defense contractor for 5 years and MasterCard International for 12 years, where she served in positions ranging from technology specialist to a global VP of a profit and loss business unit. She is also very active in the St. Louis community, especially programs encouraging education, as well as, youth and minority development. Ms. Newberry's experience in global operations combined with her entrepreneurial background and service on other publicly-traded company boards provides a broad and valuable perspective to our Board.

John M. Tracy has been a director of the Company since March 11, 2010. Mr. Tracy has been the Chief Executive Officer of Dot Foods, a food distribution company, since 2006. He has been employed by Dot Foods since 1980 and has held several positions in the organization including sales, marketing and operations. Mr. Tracy serves on several private company boards in the St. Louis metro area. He is also the current -chairman of the St. Louis Regional Business Council. Mr. Tracy's experience leading a successful, privately-held business provides entrepreneurial perspective. In addition, he brings his experience in and perspective of the Illinois markets of the St. Louis area.

Sandra A. Van Trease has been a director of the Company since 2005. Since 2004, Ms. Van Trease has been the Group President of BJC HealthCare, a not-for-profit operator of hospitals and the largest healthcare institution is the St. Louis area. Ms. Van Trease was President and Chief Executive Officer at UNICARE, an operating unit of Well Point Inc., a health insurance company, from 2002 through 2004, and she was President, Chief Financial Officer and Chief Operating Officer of RightChoice, a health insurance company, from 2000 through 2002. Ms. Van Trease has been a director of Peabody Energy (NYSE: BTU) since 2002, where she has served as a member of their Audit Committee since 2002 and a member of their Health, Safety and Environmental Committee since 2010. Ms. Van Trease is also a Certified Public Accountant. Ms. Van Trease's executive management and experience at these institutions together with her service on other publicly-traded company boards and strong community service make her a valued advisor and highly qualified to serve on our board and its committees.

THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS A VOTE FOR EACH OF THE INDIVIDUALS LISTED ABOVE FOR ELECTION AS DIRECTORS OF THE COMPANY.

## BOARD AND COMMITTEE INFORMATION

The Board of Directors has determined that having an independent director serve as Chairman of the Board is in the best interest of shareholders at this time. The structure ensures a greater role for the independent directors in the oversight of the Company and active participation of the independent directors in setting agendas and establishing priorities and procedures for the work of the Board.

The Board is actively involved in oversight of risks that could affect the Company. This oversight is conducted primarily through committees of the Board, as disclosed in the descriptions of each of the committees below and in the charters of each of the committees, but the full Board has retained responsibility for general oversight of risks. The Board satisfies this responsibility through full reports by each committee chair regarding the committee's considerations and actions, as well as through regular reports directly from officers responsible for oversight of particular risks within the Company.

All Committee members are appointed by the Board. In addition, the Board has established membership standards for each committee which requires that a certain number of committee members must be "independent directors," as that term is defined in Rule 5605(a)(2) of the NASDAQ rules.

The Board met eight times in 2010. All directors attended at least 75% of all meetings of the full Board and of those committees on which they served in 2010. The Company's Board of Directors periodically held executive sessions of the members of the Board who met the then current standards of independence. Executive sessions of the Board were presided over by the Chairman. In 2011, the Board is scheduled to meet eight times.

### DIRECTOR COMPENSATION

The following table sets forth compensation paid to each of the Company's directors during 2010.

| Name | Fees Earned or Paid in Cash ($) (a) | Stock Awards ($) | Total Annual Compensation ($) |
|---|---|---|---|
| Michael A. DeCola | 766 | 32,234 | 33,000 |
| William H. Downey | 13,387 | 11,863 | 25,250 |
| John S. Eulich | 11,388 | 11,362 | 22,750 |
| Robert E. Guest, Jr. | 16,507 | 16,493 | 33,000 |
| Lewis A. Levey | 15,877 | 15,123 | 31,000 |
| Birch M. Mullins | 2,255 | 26,495 | 28,750 |
| James J. Murphy, Jr. | 1 | 49,999 | 50,000 |
| Brenda D. Newberry | 16,136 | 15,364 | 31,500 |
| John M. Tracy | 769 | 20,481 | 21,250 |
| Sandra A. Van Trease | 759 | 31,491 | 32,250 |
| Henry D. Warshaw (b) | 768 | 26,232 | 27,000 |

(a) Includes fractional shares paid in cash.

(b) Mr. Warshaw elected not to stand for re-election at the 2011 Annual Meeting.

In 2010, non-employee Directors received a $12,000 annual retainer and $1,000 per board meeting attended. For Committee service, the Chairpersons received an additional retainer as follows: Audit Committee ($10,000), Compensation Committee ($8,000) and Nominating and Governance Committee ($6,000). Non-Chairperson committee members receive $750 per committee meeting attended. Chairman Murphy receives only an annual fee of $50,000.

Directors select whether to receive their compensation in 100% EFSC common Stock or 50% cash/50% EFSC common stock. The shares are issued under a Stock Plan for Non-Management Directors, approved by the stockholders in 2006.

## EXECUTIVE COMMITTEE

The Executive Committee is empowered to act on behalf of, and to exercise the powers of, the full Board of Directors in the management of the business and affairs of the Company when the full Board of Directors is not in session, except to the extent limited by applicable Delaware law. The charter for the Executive Committee may be found in the investor relations section of the Company's website at www.enterprisebank.com. All actions by the committee are reported at the next regular Board of Directors meeting. In addition, approved Executive Committee minutes are shared with all Directors. In 2010, the committee met six times.

The Committee consists of five non-employee directors who are "independent directors" as defined in the NASDAQ standards. For 2010, the independent members of the Executive Committee consisted of Directors Murphy (Committee Chairman), DeCola, Levey, Van Trease and Warshaw. The non-independent member of the Committee was Director Benoist.

## AUDIT COMMITTEE

The Audit Committee oversees the Company's financial reporting process on behalf of the Board of Directors by reviewing all audit processes and fees, the financial information provided to the stockholders and the Company's systems of internal financial controls. The Audit Committee has the authority and responsibility to select and evaluate and, where appropriate, replace the Company's independent registered public accounting firm (the "independent auditors").

The Audit Committee is responsible for oversight of Company risks relating to accounting matters, financial reporting, legal and regulatory compliance and the Company's anonymous reporting system. To satisfy these oversight responsibilities, the Committee separately meets regularly with the Company's chief financial officer, director of internal audit, Deloitte & Touche LLP and management. The Committee chair periodically meets between formal Committee meetings with the Company's chief financial officer, director of internal audit and Deloitte & Touche LLP. The Committee also receives regular reports regarding issues such as the status and findings of audits being conducted by the internal and independent auditors, the status of material litigation, accounting changes that could affect the Company's financial statements and proposed audit adjustments.

All members of the Audit Committee meet the NASDAQ independence standards. In 2010, the Audit Committee consisted of Directors Van Trease (Committee Chairperson), Guest, Newberry and Levey, who served a full year, and Director Eulich, who was appointed in July 2010. The Audit Committee met ten times in 2010.

The Board of Directors has determined that Directors Guest and Van Trease satisfy the requirements of a "financial expert" as defined in Item 407(d)(5) of Regulation S-K and satisfy the definition of "financially sophisticated" under NASDAQ Rule 5605(c).

The Company's Board has determined that none of the Directors on the Audit Committee have a relationship with the Company or the Bank that would interfere with the exercise of independent judgment in carrying out their responsibilities as director. None of them is, or have been for the past three years, an employee of the Company or the Bank, and none of their immediate family members is, or have for the past three years, been an executive officer of the Company or the Bank.

As noted in the Audit Committee's charter, which is available on the Company's website at www.enterprisebank.com, the Company's management is responsible for preparing the Company's financial statements. The Company's independent auditors are responsible for auditing the financial statements. The activities of the Audit Committee are in no way designed to supersede or alter those traditional responsibilities. The Audit Committee's role does not provide any special assurances with regard to the Company's financial statements, nor does it involve a professional evaluation of quality of audits performed by the independent auditors. The Audit Committee reassesses the adequacy of the charter on an annual basis.

The Audit Committee has considered whether the provision by Deloitte & Touche LLP of the services covered by the audit fees is compatible with maintaining Deloitte & Touche LLP's independence and concluded that it is compatible. The Audit Committee is responsible for pre-approving all auditing services and permitted non-auditing services to be performed by the Company's independent auditors. The Chairperson of the Audit Committee has authority to approve in advance all audit or non-audit services to be performed by the independent auditors but must report any such approval to the full Audit Committee at the next regularly scheduled meeting.

The Report of the Audit Committee appears on page 34 of this Proxy Statement.

## NOMINATING AND CORPORATE GOVERNANCE COMMITTEE

The Nominating and Corporate Governance Committee assists the Board in identifying and recommending qualified director nominees for election at the stockholders' annual meeting. The charter for the Nominating and Corporate Governance Committee may be found at the Company's website at www.enterprisebank.com. The Committee also recommends membership on Board committees, recommends corporate governance guidelines and oversees an annual Board self-evaluation.

All members of the Committee meet the NASDAQ independence standards. Nominating and Corporate Governance Committee members for 2010 were Directors Guest (Committee Chairman), Murphy, Newberry, Warshaw, who served a full year, and Director Tracy, who was appointed in April 2010. The Committee met five times in 2010.

The Nominating and Corporate Governance Committee may consider candidates for Board membership coming to its attention through current Board members, search firms, stockholders and other persons. Suggestions for nominees from stockholders are evaluated in the same manner as other nominees. Any stockholder nomination must be submitted in writing to the Secretary, Enterprise Financial Services Corp, 150 North Meramec, Clayton, Missouri 63105 and should include the stockholder's name, address and number of the Company's shares owned by the stockholder along with the nominee's name and qualifications.

There is no fixed process for identifying and evaluating potential candidates to be nominees for directors, and there is no fixed set of qualifications that must be satisfied before a candidate will be considered. Rather, the Nominating and Corporate Governance Committee has the flexibility to consider such factors as it deems appropriate. These factors may include education, diversity, experience with business and other organizations comparable with EFSC, the interplay of the candidate's experience with that of other members of the Board of Directors, and the extent to which the candidate would be a desirable addition to the Board of Directors and to any of the committees of the Board of Directors. The Nominating Committee will evaluate nominees for directors submitted by shareholders in the same manner in which it evaluates other director nominees. No shareholder has properly nominated anyone for election as a director at the Annual Meeting.

Stockholders may communicate directly to the Board of Directors by sending a letter to the Board at: Enterprise Financial Services Corp Board of Directors, 150 North Meramec, Clayton, Missouri 63105. All communications directed to the Board of Directors will be received and processed by the Secretary of the Company and will be transmitted to the Chairman of the Nominating and Corporate Governance Committee without any editing or screening.

The Nominating and Corporate Governance Committee is responsible for risks relating to management and Board succession planning, corporate governance and ethics.

## COMPENSATION COMMITTEE

The Compensation Committee consists of Directors DeCola (Committee Chairman), Downey, Mullins and Murphy. The Compensation Committee met eight times in 2010. The Compensation Committee is comprised solely of non-employee directors, all of whom the Board has determined are independent pursuant to the NASDAQ rules. The responsibilities of the Committee are set forth in its charter, which is available on the Company's website at www.enterprisebank.com, and includes the responsibility for establishing, implementing and continually monitoring compliance with the Company's compensation philosophy. Members of the Committee are outside directors within the meaning of Section 162(m) of the Internal Revenue Code of 1986. During fiscal year 2010, no Member was an executive officer of another entity on whose compensation committee or board of directors an executive officer of the Company served.

The Compensation Committee is responsible for risks relating to employment policies and the Company's compensation and benefits systems. To assist it in satisfying these oversight responsibilities, the Committee has retained its own compensation consultant and meets regularly with management and with outside counsel to understand the financial, human resources and shareholder implications of compensation decisions being made.

The Compensation Committee Report appears on page 18 of this Proxy Statement.

# EXECUTIVE COMPENSATION

## COMPENSATION DISCUSSION AND ANALYSIS

This section provides information regarding the compensation programs, including our overall compensation philosophy, components of compensation that we provide, the objectives and intended incentives of these components, and a discussion of the compensation decisions we have made regarding the following named executive officers of the Company (our "NEOs"):

| Name | Title | Age |
|---|---|---|
| Peter F. Benoist | President and Chief Executive Officer | 63 |
| Frank H. Sanfilippo | Executive Vice President and Chief Financial Officer | 48 |
| Stephen P. Marsh | Executive Vice President; Chairman and Chief Executive Officer – Enterprise Bank & Trust | 55 |
| Linda M. Hanson | President, Kansas City Region, Enterprise Bank & Trust | 50 |
| John G. Barry | President, Arizona Region, Enterprise Bank & Trust | 54 |

### Compensation Philosophy

Despite the challenges in our industry in recent years, we remain committed to our vision of being one of the highest performing growth companies in the financial services industry. To achieve that vision, we must provide exceptional leadership to develop talented and focused associates to deliver outstanding client service and provide value to our stockholders.

Our compensation philosophy is based on providing incentives for performance and management of risk. We develop and administer compensation programs consistent with the following principles:

- Compensation will be based on clearly defined goals;
- We will align compensation and variable incentives with measurable business results, appropriate risk management and increases in stockholder value;
- Our compensation programs will be based on the implementation of our business plan;
- We will compensate our associates in ways designed to attract, motivate and retain valuable performers;
- We will provide fair and competitive compensation based on market data; and
- We will implement programs that are easy to understand and administer.

### Overview of the Compensation Program

The Compensation Committee of the Board of Directors determines and administers compensation operating under the authority of its Charter. The Committee has responsibility for establishing, implementing and continually monitoring compliance with the Company's compensation philosophy.

The Committee has overall responsibility relating to compensation for the directors and officers and other associates and delegates certain of those functions to management. In the case of NEOs, the Committee establishes and reviews all aspects of base salaries, short-term incentives, and long-term incentives, including the establishment or approval of measurement metrics. With respect to executives below this level, the Committee reviews management's recommendations for the aspects named above. In the case of the remaining associate population, the Committee reviews, approves, and monitors compensation budgets and proposed methods of generally administering compensation practices. In administering compensation and reviewing management's administration of compensation programs, the Committee makes a determination that the compensation policies of the Company do not encourage inappropriate risk to the Company. The Committee has delegated to management the determination and administration of associate benefits while retaining oversight.

As discussed in more detail below, we are subject to laws and regulations concerning the executive compensation paid by financial institutions, such as the Company, which have participated in the Capital Purchase Program (the "Capital Purchase Program" or the "CPP") sponsored by the United States Treasury. The Committee regularly reviews all components of the Company's compensation program to assure compliance with these requirements.

Committee Agendas, Scheduling, and Keeping of the Minutes. Our Senior Vice President of Human Resources, with approval from the Committee Chairman, proposes the agenda and scheduling calendar for the year. Outside counsel of the Committee took minutes until July 15, 2010 and the Corporate Secretary, took minutes the remainder of the year. The Committee reviews and approves all minutes.

Compensation Consultant. Two consultants, Klemm & Associates and Pay Governance, were used in 2010. The consultants do not own any securities of the Company, nor do the consultants have any other business relationships with the Company or other individual associates.

The Committee decides the nature and scope of the compensation consultant's assignments, and the Chairman of the Committee, with the Senior Vice President of Human Resources, approves the budget and invoices relating to the consultant. The consultant's work for the Committee includes:

- Providing analysis of the NEOs' elements of executive compensation compared with peer group companies;
- Providing business and technical advice on executive compensation matters; and
- Discussing and making certain recommendations on specific pay programs and pay levels for executives.

In 2010, the consultants did not provide services to the Company other than with respect to executive compensation.

Performance Reviews. Each of our executive officers performs an annual self-evaluation of previous year performance. Our CEO conducts performance evaluations or has final approval over performance evaluations for the other NEOs. The Executive Committee conducted the annual performance evaluation of our CEO and reported the results of the evaluation to the Compensation Committee. The performance review of our CEO is based on the financial performance of the Company, the increase in stockholder value, growth in the human capital of the organization, the continued reinvestment and improvement of the Company's product offerings, input from the outside members of the Board of Directors and the Company's overall management of risk. The Compensation Committee also approved the leadership rating, which was part of his short term incentive compensation. The Committee discusses the CEO evaluation without the CEO being present and a Committee member presents the Committee's recommendations for executive officer compensation to the full Board of Directors.

Benchmarking of Compensation. The Committee uses competitive data to benchmark the following elements of compensation for NEOs:

- Base salary;
- Short-term annual incentives;
- Equity compensation elements such as stock options and restricted stock;
- Other elements that to date have been reported publicly under SEC rules.

In addition to benchmarking, and in the interest of taking internal equity into account, the Committee examines the relationship of one NEO's total compensation and sub-elements to other NEO's.

Klemm & Associates provides the Committee with compensation data from a database that derives data directly from publicly reported information called Salary.com CompAnalyst Executive. The database contains essentially all publicly-held U.S. companies including all publicly-held reporting banks. The Committee believes publicly-held reporting banks are the most appropriate group to benchmark ourselves against because we compete with that group for executive associates and for business.

The peer group is composed of 128 banks and bank holding companies with assets of $900 million to $5.0 billion. The Committee believes that using this single criterion of assets (and not others such as by geographic region or certain named banks) adds a strong element of fairness and impartiality to comparisons. The Committee uses the data not only for compensation comparisons, but also for financial performance measurement, and in particular, determining award levels for the Long-Term Incentive Plan described below.

In 2010, our benchmark group consisted of the following component companies:

1ST SOURCE CORP (SRCE)
ACNB CORP (ACNB)
ALLIANCE FINANCIAL CORP/NY (ALNC)
AMCORE FINANCIAL INC (AMFIQ)
INDEPENDENT BANK CORP/MA (INDB)
INDEPENDENT BANK CORP/MI (IBCP)
INTEGRA BANK CORP (IBNK)
LAKELAND BANCORP INC (LBAI)

AMERIS BANCORP (ABCB)
AMERISERV FINANCIAL INC/PA (ASRV)
AMES NATIONAL CORP (ATLO)
ARROW FINANCIAL CORP (AROW)
LAKELAND FINANCIAL CORP (LKFN)
LNB BANCORP INC (LNBB)
MAINSOURCE FINL GROUP INC (MSFG)
MBT FINANCIAL CORP (MBTF)

BANCORP INC (TBBK)
BANCTRUST FINANCIAL GRP INC (BTFG)
BANK KY FINANCIAL CORP (BKYF)
BANK OF MARIN BANCORP (BMRC)
BANK OF THE OZARKS INC (OZRK)
BANNER CORP (BANR)
BAR HARBOR BANKSHARES (BHB)
BRYN MAWR BANK CORP (BMTC)
CAMDEN NATIONAL CORP (CAC)
CANANDAIGUA NATIONAL CORP (CNND.OB)
CAPE BANCORP INC (CBNJ)
CAPITAL CITY BK GROUP INC (CCBG)
CARDINAL FINANCIAL CORP (CFNL)
CASCADE BANCORP (CACB)
CENTERSTATE BANKS INC (CSFL)
CENTRA FINANCIAL HOLDINGS INC
CENTRAL PACIFIC FINANCIAL CP (CPF)
CENTRUE FINANCIAL CORP (TRUE)
CHEMICAL FINANCIAL CORP (CHFC)
CITIZENS & NORTHERN CORP (CZNC)
CITY HOLDING COMPANY (CHCO)
CNB FINANCIAL CORP/PA (CCNE)
COBIZ FINANCIAL INC (COBZ)
COLUMBIA BANKING SYSTEM INC (COLB)
COMMUNITY TRUST BANCORP INC (CTBI)
EAGLE BANCORP INC/MD (EGBN)
EASTERN VIRGINIA BANKSHARES INC (EVBS)
ENTERPRISE BANCORP INC/MA (EBTC)
FARMERS CAPITAL BANK CORP (FFKT)
FARMERS NATIONAL BANC CORP /OH/ (FMNB.OB)
FIDELITY SOUTHERN CORP (LION)
FINANCIAL INSTITUTIONS INC (FISI)
FIRST BANCORP INC/ME (Maine) (FNLC)
FIRST BANCORP/NC (North) (FBNC)
FIRST BUSINESS FINANCIAL SERVICES, INC. (FBIZ)
FIRST CITIZENS BANC CORP (FCZA)
FIRST CMNTY BANCSHARES INC (FCBC)
FIRST FINANCIAL CORP/IN (THFF)
FIRST FINL BANKSHARES INC (FFIN)
FIRST LONG ISLAND CORP (FLIC)
FIRST M&F CORP/MS (FMFC)
FIRST MARINER BANCORP (FMAR)
FIRST MERCHANTS CORP (FRME)
FIRST NATL CMNTY BANCORP INC (FNCB.PK)
FIRST UNITED CORP (FUNC)
FIRSTBANK CORP (FBMI)
FRANKLIN FINANCIAL SVCS CORP (FRAF)
GERMAN AMERICAN BANCORP INC (GABC)
GREAT SOUTHERN BANCORP (GSBC)
GREEN BANKSHARES INC (GRNB)
GUARANTY BANCORP (GBNK)
HAWTHORN BANCSHARES INC (HWBK)
HEARTLAND FINANCIAL USA INC (HTLF)
HERITAGE FINANCIAL CORP (HFWA)
HOME BANCSHARES INC (HOMB)
HORIZON BANCORP/IN (HBNC)
MERCANTILE BANK CORP (MBWM)
MERCHANTS BANCSHARES INC/VT (MBVT)
METROCORP BANCSHARES INC (MCBI)
MIDDLEBURG FINANCIAL CORP (MBRG)
MIDSOUTH BANCORP INC (MSL)
MIDWEST BANC HOLDINGS INC (MBHI)
NATIONAL BANKSHARES INC (NKSH)
NEWBRIDGE BANCORP (NBBC)
NORTHRIM BANCORP INC (NRIM)
OLD POINT FINANCIAL CORP (OPOF)
OLD SECOND BANCORP INC/IL (OSBC)
ORRSTOWN FINANCIAL SVCS INC (ORRF)
PACIFIC CONTINENTAL CORP (PCBK)
PEAPACK-GLADSTONE FINL CORP (PGC)
PEOPLES BANCORP INC/OH (PEBO)
PEOPLES BANCORP NC INC (PEBK)
PREMIERWEST BANCORP (PRWT)
PRINCETON NATL BANCORP INC (PNBC)
QCR HOLDINGS INC (QCRH)
RENASANT CORP (RNST)
REPUBLIC BANCORP INC/KY (RBCAA)
REPUBLIC FIRST BANCORP INC (FRBK)
ROYAL BANCSHARES/PA -CL A (RBPAA)
S & T BANCORP INC (STBA)
S Y BANCORP INC (SYBT)
SANDY SPRING BANCORP INC (SASR)
SAVANNAH BANCORP INC (SAVB)
SCBT FINANCIAL CORP (SCBT)
SHORE BANCSHARES INC (SHBI)
SIMMONS FIRST NATL CP -CL A (SFNC)
SMITHTOWN BANCORP INC (SMTB)
SOUTHEASTERN BANK FINL CORP (SBFC.OB)
SOUTHERN CMNTY FINL CORP (SCMF)
SOUTHSIDE BANCSHARES INC (SBSI)
SOUTHWEST BANCORP INC (OKSB)
STATE BANCORP INC (STBC)
STELLARONE CORP (STEL)
STERLING BANCORP/NY (STL)
STERLING BANCSHRS/TX (SBIB)
SUFFOLK BANCORP (SUBK)
SUPERIOR BANCORP (SUPR)
TAYLOR CAPITAL GROUP INC (TAYC)
TOMPKINS FINANCIAL CORP (TMP)
TRICO BANCSHARES (TCBK)
UNION FIRST MARKET BANKSHARS (UBSH)
UNITED BANCORP INC/MI (UBMI)
UNITY BANCORP INC (UNTY)
UNIVEST CORP OF PENNSYLVANIA (UVSP)
VIRGINIA COMM BANCORP INC (VCBI)
WASHINGTON BANKING CO (WBCO)
WASHINGTON TR BANCORP INC (WASH)
WEST BANCORPORATION INC (WTBA)
WEST COAST BANCORP/OR (WCBO)
WESTAMERICA BANCORPORATION (WABC)
WILBER CORP (GIW)
YADKIN VALLEY FINANCIAL CORP (YAVY)

Compensation Restrictions Under the United States Treasury Capital Purchase Program

On December 19, 2008, the Company received an investment of approximately $35.0 million from the United States Treasury under the Capital Purchase Program. Under the executive compensation standards adopted by the Treasury in connection with the CPP, during the period that the Treasury holds any of our securities under the CPP, we are subject to the following limitations on compensation:

- Limitation on Deduction for Compensation. We will not claim any tax deduction for compensation of any Senior Executive Officer ("SEO") in excess of $500,000. CPP defines SEOs as generally being the Chief Executive Officer, the Chief Financial Officer and the next three most highly compensated executives. In the case of the Company, at this time the SEOs and the NEOs are identical.

- Clawback Policy. The Company was required to adopt a clawback policy pursuant to which the Company may recover from any SEO or any of its next top 20 most highly compensated employees, any bonus, retention award or incentive compensation which is based on statements of earnings, revenues, gains or other criteria that are later found to be materially inaccurate;

- Prevent Incentives for SEOs to Take Unnecessary Excessive Risks. The Company must limit SEO compensation practices to prevent incentives for unnecessary and excessive risks.

- Prohibition on Severance Payments. No "golden parachute payments" may be made to the five SEOs or the next five most highly-compensated employees. The term "golden parachute payment" includes any payment "for departure from a company for any reason, except for payments for services performed or benefits accrued."

- Limitation on Bonuses. The Company may not pay or accrue any "bonus, retention award or incentive compensation" to the five most highly compensated employees whether or not these employees are SEOs. The prohibition does not apply to payments of "long-term" restricted stock or restricted stock units that have a value not exceeding 1/3 of the employee's total annual compensation. Such grants of restricted stock or restricted stock units must not fully vest during the restricted period and are subject to a minimum vesting period of two years.

- Prohibition on Compensation which Encourages Manipulation of Earnings. The Company is not permitted to use compensation plans which "encourage manipulation of reported earnings" to enhance compensation of any employees.

- Adoption of Luxury Expenditure Policy. The Company was required to adopt a company-wide policy regarding excessive or luxury expenditures, including entertainment or events, office and facility renovations, aviation or other transportation and other activities or events that are not reasonable performance incentives or other similar measures conducted in the normal course of business. The Company's luxury expenditure policy is located on the company website.

Our executive compensation practices and policies are subject to these executive compensation restrictions. The discussion of our executive compensation practices and policies which follows should be read with these restrictions in mind.

Compensation Components

Our executive compensation consists of three components: base salary, short-term annual incentive awards, and long-term equity incentive compensation. We also provide modest levels of perquisites, described later, to NEOs. NEOs may elect to participate in a Deferred Compensation Plan that is available to certain other executives as well. We do not provide any executive benefits in the form of supplemental executive retirement plans, top hat plans, or special health care plans. NEOs also participate in other associate benefit programs that are provided or available to the general associate population such as health care, disability, life insurance and a defined contribution plan. These programs are described later. The Summary Compensation Table on page 23 provides additional information.

Base Salaries. We use base salary to recognize and take into account requisite competencies, experience, and knowledge that we believe our NEOs must possess. In setting base salaries, the Committee considers the NEO's experience, the difficulty that might be encountered in replacing the NEO, and how limited the pool of qualified people might be.

We set base salary range midpoints at what would be slightly above the midpoint of the benchmarks for general peer group data. We set midpoint salary above the median because performance goals are set at levels well beyond median performance for the peer group and we strive to recruit and retain talent that would be highly sought after by our peers.

With recommendations from the CEO and the Senior Vice President of Human Resources, the Committee annually reviews NEO base salaries based on individual and Company performance, the individual's level of responsibility, peer group competitive data, internal equity considerations, compensation history, and terms and conditions of each NEO's employment agreement.

Except for Mr. Benoist, as described below, in 2010, there were no increases in the rate of base salary for any of our NEOs. None of our NEOs were paid or earned any cash bonus other than a $50 bonus paid to all associates for the Company achieving certain quarterly goals. This amount is included as "Other Compensation" in the Summary Compensation table on page 23.

Mr. Benoist.

For 2010, Mr. Benoist was paid a base salary of $460,000. This included $425,000 of cash payments and $35,000 of fully vested restricted stock. The shares of restricted stock were granted in connection with an increase in Mr. Benoist's salary of $120,000 approved by the Compensation Committee effective January 1, 2010. The increase was granted by the Compensation Committee to permit Mr. Benoist to be eligible to receive targeted levels of short and long term incentives for 2010 in accordance with CPP executive compensation rules. The restricted shares were issued in pro-rated installments on the date that Mr. Benoist's salary was payable in accordance with the Company's payroll practices. The number of shares of salary stock issued to Mr. Benoist in each installment was equal to the dollar value of such installment divided by the closing price of the Company's stock on the Nasdaq Global Select Market on the date of the installment, net of applicable withholding. Effective April 29, 2010, Mr. Benoist voluntarily discontinued the stock grants when it became apparent that the Company's performance would not result in targeted or exceptional levels of short term incentives. Following such reduction, Mr. Benoist's annual rate of base salary returned to $425,000. Mr. Benoist was issued 3,696 restricted shares of Company stock, including shares that were subsequently withheld to pay for taxes.

In the future, we may elect to pay base salary to other NEOs or employees with similar grants of restricted stock.

Short-Term Annual Incentives. We use short-term incentive programs to drive an executive's performance in a given year by focusing on up to five key goals. Our short-term incentive program sets a threshold, target and exceptional level of short-term incentive awards that an NEO is eligible to earn. In the first quarter of each year, our CEO and the Senior Vice President of Human Resources, with the input of other members of management where appropriate, present proposed NEO performance grids to the Committee for review and approval. For each of these NEOs, the CEOs of the Company and the Bank review the goals and set the potential incentive amounts for each goal and performance level. The relative importance of each goal to all goals is determined. The relative weighting determines potential incentive payments for each goal.

For each goal, the threshold level of payout for achievement is usually set at 70% of target level and the exceptional level of payout is usually set at 130% of target level. For performance below threshold level of any goal, there is no payment. Payout for performance falling between the threshold, target and exceptional criteria is determined using straight-line interpolation.

We have historically used short-term annual incentive programs which paid cash bonuses to our NEOs. Beginning in 2009, the Company decided not to pay cash bonuses and created a new short-term incentive plan which gave NEOs the opportunity to earn awards in the form of restricted stock. The restricted stock available to NEOs under the short-term incentive plan in 2010 satisfies the requirements of "long term restricted stock" under the CPP executive compensation standards. Under CPP rules, (i) the total value of all restricted stock awarded by the Company in any fiscal year to an employee subject to the CPP bonus restrictions (excluding awards of fully vested "salary stock") may not exceed 1/3 of the employee's total compensation, (ii) the restricted stock awards are subject to a two year continuous service vesting schedule and (iii) the shares of restricted stock become transferrable on a pro rata basis to the extent that we repay funds we obtained through the CPP, subject to limited exceptions for sales to cover taxes as the shares of restricted stock vest. We determine the number of shares of restricted stock included in the award by dividing the award dollar amounts by the price of our common stock as of the close of trading on the date of the award.

The goals determining the short-term incentive awards and the threshold, target and exceptional level payouts related to each goal for each of our NEOs for 2010 are set forth in the table below. Due to the Company's expected performance in 2010, management recommended and the Committee approved a reduction in the threshold, target and exceptional level payout of all annual short-term incentives by 50% from the 2008 threshold, target and exceptional levels. While the target amount of short-term annual incentives for Mr. Benoist are set in his employment agreement, Mr. Benoist agreed in 2010 to a 50% reduction in the target amount of his short-term incentives, consistent with the reduction for other NEOs.

| | | % Weight | Goals (1) | | | |
|---|---|---|---|---|---|---|
| | | At Target | Threshold | Target | Exceptional | Actual |
| Peter F. Benoist | | | | | | |
| 1. | Earnings per share | 40% | $0.45 | $0.51 | $0.61 | $0.45 |
| 2. | Asset Quality Rating (2) | 40% | 2.0 | 3.0 | 4.0 | 1.0 |
| 3. | Leadership Rating (3) | 20% | 2.0 | 3.0 | 4.0 | 3.5 |
| | Value | 100% | $78,167 | $111,667 | $145,167 | $56,950 |
| | | | | | % of Target | 51.0% |
| | | | | | Restricted shares | 4,931 |
| Frank H. Sanfilippo | | | | | | |
| 1. | Earnings per share | 40% | $0.45 | $0.51 | $0.61 | $0.45 |
| 2. | Finance Rating (3) | 40% | 2.0 | 3.0 | 4.0 | 3.5 |
| 3. | Leadership Rating (3) | 20% | 2.0 | 3.0 | 4.0 | 3.5 |
| | Value | 100% | $31,500 | $45,000 | $58,500 | $43,650 |
| | | | | | % of Target | 97.0% |
| | | | | | Restricted shares | 3,779 |
| Stephen P. Marsh | | | | | | |
| 1. | Earnings per share | 40% | $0.45 | $0.51 | $0.61 | $0.45 |
| 2. | Asset Quality Rating (2) | 40% | 2.0 | 3.0 | 4.0 | 1.0 |
| 3. | Leadership Rating (3) | 20% | 2.0 | 3.0 | 4.0 | 2.5 |
| | Value | 100% | $43,750 | $62,500 | $81,250 | $28,125 |
| | | | | | % of Target | 45.0% |
| | | | | | Restricted shares | 2,435 |
| Linda M. Hanson | | | | | | |
| 1. | Earnings per share | 30% | $0.45 | $0.51 | $0.61 | $0.45 |
| 2. | Kansas City Region Net Operating Income (4) | 50% | 14,100 | 15,477 | 17,800 | 15,053 |
| 3. | Leadership Rating (3) | 20% | 2.0 | 3.0 | 4.0 | 2.5 |
| | Value | 100% | $38,500 | $55,000 | $71,500 | $45,055 |
| | | | | | % of Target | 81.9% |
| | | | | | Restricted shares | 3,901 |
| John G. Barry | | | | | | |
| 1. | Earnings per share | 30% | $0.45 | $0.51 | $0.61 | $0.45 |
| 2. | Arizona Region Net Operating Income (4) | 50% | 865 | 951 | 1,095 | 12,818 |
| 3. | Leadership Rating (3) | 20% | 2.0 | 3.0 | 4.0 | 3.5 |
| | Value | 100% | $43,750 | $62,500 | $81,250 | $68,125 |
| | | | | | % of Target | 109.0% |
| | | | | | Restricted shares | 5,898 |

(1) As discussed above, because of the Company's below average performance in fiscal year 2010, all threshold, target and exceptional level payouts were reduced by 50% from original levels.

(2) The Asset Quality Rating which is a part of Mr. Benoist's and Mr. Marsh's short-term incentive goals is a rating of between zero and four points based on an equal weighted review of the Company's net charge offs and non-performing assets during the fiscal year. The target level Asset Quality Rating of three points would be achieved if (i) net charge offs during the year are less than or equal to 1.70% of the

average loan balance for 2010 and (ii) the ratio of the Company's non-performing assets to total assets for the fiscal year is less than or equal to 2.38%. The Committee assigns a score of between zero and three points for performance below these target goals and a score of between three and four points for performance exceeding these target goals, with discretion to deviate from straight line interpolation if the Committee feels that circumstances merit such deviation. The Committee did not deviate from straight line interpolation in 2010.

(3) The leadership rating goal consists of a rating of between zero and four points. Each performance review consists of separate subjective criteria based on the position and responsibilities of the NEO, including leadership. A portion of Mr. Sanfilippo's subjective performance evaluation is based on an assessment by the Chairperson of the Audit Committee and the CEO of the effectiveness of the Company's overall risk management procedures and processes. In determining this rating, the Chairperson of the Audit Committee and the CEO consider factors such as the Company's risk assessment process, internal controls over financial reporting, including the existence of any significant deficiencies or material weaknesses in such controls, and disclosure controls and procedures.

(4) The payout for achieving above target-level performance for this goal is subject to a reduction of 10% for each of five different credit quality measures, including rate of loan losses amount of nonperforming assets, past due loans, loan review results, and loan documentation deficiencies. Loan losses in the Kansas City region exceeded the loan loss threshold of 1.70%, therefore, Ms. Hanson's payout with respect to this goal was reduced by 10%. Mr. Barry had no credit quality deductions.

Long-Term Incentive Compensation. Our objectives for long-term incentive compensation for our NEOs include:

- Aligning incentives with increases in stockholder value;
- Using long-term incentives to attract and retain exceptional talent;
- Encouraging the long-term view in management decision making;
- Using long-term incentives as a tool to define, encourage, and promote high performance;
- Align our NEOs long term incentives with the risk-reward structure of the Company.

Since 2004, our long-term incentive compensation plan has used primarily restricted stock units ("RSUs"), while reserving the ability to grant stock options or stock settled appreciation rights ("SSARs") in certain circumstances. The executive compensation standards of the CPP limit our long-term incentive program to either long-term restricted stock or RSUs for as long as the U.S. Department of Treasury holds an investment in the Company. Target amounts of long-term incentives are primarily determined based on the benchmarking analysis discussed above.

We designed the plan of annual equity grants and potential awards so that it would provide our NEOs, managers, and other key associates continued, long-term motivation. We believe the plan provides incentives for long term performance and prudent risk-management because:

- The value of RSUs is intrinsically tied to Company performance based on comparison to continuously updated peer group performance;
- The Plan clearly aligns interests of Company managers with the economic interests of stockholders;
- The RSUs provide no value until the performance period is over and performance has been achieved;
- It facilitates retention of talented executives as Awards vest equally over five years after a three year performance period; and
- It promotes stock ownership by management.

Compensation under the Long-Term Incentive Plan involves three steps:

- Grant: A participant first receives a "Grant", which is the setting of performance standards and the amount of incentives which will be awarded if those standards are satisfied.
- Award: If the performance standards are satisfied, the participant receives an "Award" of the equity incentives.
- Vesting: An equity incentive is subject to forfeiture upon the termination of a participant's employment until the incentive has vested. Awards of most RSUs, stock options and SSARs vest at the rate of 20% per year.

Each year management makes a recommendation to the Committee for RSU Grants in the form of an updated list of NEOs and proposed grant levels in groupings. Once the Committee reviews and approves the listing and pool level, we grant participating associates a dollar denominated amount, which entitles them to a potential Award of RSUs if the performance standard is met, against the previously described peer group from Klemm & Associates of 128 banks.

Because the Company's average earnings per share growth rate for the 3 year period ending December 31, 2009 compared to our peers was below threshold, there were no equity Awards under the Long-Term Incentive Plan in 2010.

A Grant was made in 2010 which relates to performance for 2010, 2011 and 2012 with a potential Award in 2013. Grants for NEOs are reflected in the Summary Compensation Table on page 23 and the Grants of Plan-Based Awards table on page 25.

The 2010 Grants consisted of the following.

| Goal | Weight | | Threshold | Target | Exceptional |
|---|---|---|---|---|---|
| EPS | 40% | Goal | 60th percentile | 70th percentile | 80th percentile |
| Net Interest Income | 30% | Goal | 70th percentile | 75th percentile | 80th percentile |
| Efficiency Ratio Average | 30% | Goal | 85th percentile | 90th percentile | 95th percentile |
| | 100% | | | | |

NEO Perquisites. We provide perquisites and other personal benefits to NEOs that we believe are reasonable and consistent with our overall compensation program. See the All Other Compensation – Supplemental Table on page 24 for more information on these items. In 2010, no executives received perquisites whose total value for such executive exceeded $25,000.

Retirement Plans. We expect executives to plan for and fund their own retirement through a defined contribution 401(k) plan and a Deferred Compensation Plan that permits certain executives to defer a limited portion of salary and bonus into any of several investment alternatives. The Company has historically provided an annual Company match to the 401(k) plan. There are no Company contributions to the Deferred Compensation Plan. We do not maintain defined benefit retirement or executive retirement plans or provide for post-retirement benefits.

2010 Compensation for Named Executive Officers
Below is a summary of the compensation by category earned by our NEOs for 2010.

| Name | Base Salary (1) | Short-term Annual Incentive Compensation (2) | Long-term Incentive Compensation (3) | NEO Perquisites (4) | Total |
|---|---|---|---|---|---|
| Peter F. Benoist | 86% | 11% | 0% | 3% | 100% |
| Frank H. Sanfilippo | 79% | 16% | 0% | 5% | 100% |
| Stephen P. Marsh | 85% | 9% | 0% | 6% | 100% |
| Linda M. Hanson | 81% | 14% | 0% | 5% | 100% |
| John G. Barry | 59% | 36% | 0% | 5% | 100% |

(1) Base salary percentages are based on the amounts disclosed in the “Summary Compensation Table” for NEOS. For more information, see the heading “Base Salaries” above.

(2) Short-term annual incentive compensation percentages are based on the amounts disclosed as “Stock Awards” in the “Summary Compensation Table” for NEOs. For more information, see the heading “Short-term Annual Incentive Compensation” above.

(3) For more information, see the heading “Long-term Incentive Compensation” above.

(4) NEO Perquisites percentages a re based on the amounts disclosed as “All Other Compensation” in the “Summary Compensation Table” for NEOs. For more information, see the heading “NEO Perquisites” above.

Stock Ownership Guidelines

Effective January 2010, our Board of Directors approved stock ownership guidelines for our NEOs and non-employee directors with the goal of further aligning the interests of our management with our stockholders.

The stock ownership guidelines provide that non-employee directors and different levels of executives are expected to own a specific amount of our common stock within the later of five years of adopting the program or five years after the date the executive becomes an NEO or director as applicable. NEOs and non-employee directors are expected to make continuing progress towards compliance with the guidelines during the five-year period. Non-employee directors are expected to own, or to acquire within the later of January 1, 2015 or five years after the date of becoming a director, at least $250,000 worth of the Company's common stock. For purposes of determining whether an executive or non-employee director is in compliance, or making progress towards compliance, stock is valued at its purchase price or, in the case of stock awarded under the Company's compensation plan, at its value at the time of the Award. The table below shows the guidelines for NEO's by executive level.

| TITLE | STOCK OWNERSHIP GOAL |
|---|---|
| CEO / President | Greater of 50,000 shares or 5 x Base Salary |
| All Other NEOs | Greater of 25,000 shares or 2.5 x Base Salary |

COMPENSATION COMMITTEE REPORT

Compensation Discussion and Analysis

The Compensation Committee of the Company has reviewed and discussed the Compensation Discussion and Analysis required by Item 402(b) of Regulation S-K under the Securities Exchange Act of 1934 and, based on such review and discussion, the Compensation Committee recommended to the Board that the Compensation Discussion and Analysis be included in this Proxy Statement.

Disclosures Required Pursuant to Capital Purchase Program Regulations

The Company offers the following plans in which our NEOs participate, subject, however, to the limitations and restrictions under the Capital Purchase Program:

- Employment agreements for each of our NEOs;
- Our Amended and Restated Deferred Compensation Plan I;
- Our 2002 Stock Incentive Plan, as amended;
- Our Annual Incentive Plan (our short-term incentive plan); and
- Our Incentive Savings Plan.

We reviewed each of the above plans and agreements and determined that none of them encourage the named executive officers to take unnecessary and excessive risks that threaten the value of the Company or Enterprise Bank & Trust, our banking subsidiary.

The employment agreements with our named executive officers provide for severance payments if a termination of employment occurs under certain circumstances, including a change of control of the Company. As discussed below under "Severance and Change in Control Compensation," the standards for executive compensation adopted by the U.S. Department of the Treasury under the Capital Purchase Program prohibit us from paying severance to any of our NEOs or the next five most highly compensated employees for as long as the Treasury holds its investment in the Company.

The 2002 Stock Incentive Plan and the amendments thereto have been approved by the stockholders of the Company and provide for the granting of stock options, restricted stock awards, RSUs and stock settled stock appreciation rights ("SSARs"), however, as discussed above under "Compensation Discussion and Analysis," the Company is prohibited from granting any new stock options to the five most highly compensated employees due to the executive compensation standards of the Capital Purchase Program. For 2010, Mssrs. Benoist, Marsh and Barry and Ms. Hanson were subject to this restriction. Mr. Sanfilippo was not subject to this restriction, but received a grant of qualified long term restricted stock regardless of his eligibility to receive cash or other compensation. As described in the Compensation Discussion and Analysis, the Compensation Committee believes that the Company's equity incentive plans align the interests of our NEOs and other employees with the long

term interests of our stockholders. Grants under our equity plans are subject to performance based criteria and vesting over five years. The use of RSUs in awarding long term incentive compensation to our NEOs ties the economic value of the award to the long term risk and reward structure of the Company. In light of these factors, the Compensation Committee believes that these equity awards do not encourage the named executive officers to take unnecessary and excessive risks that threaten the value of the Company or the Bank.

The deferred compensation plan allows NEOs and certain other executives to defer a limited portion of salary and up to 100% of any bonus into any of several investment alternatives. The deferred compensation plan is unfunded and the Company historically does not make any credits to the deferred compensation plan and did not do so in 2010. Because the deferred compensation plan only allows for the deferral of compensation that is already earned, the Compensation Committee believes that this plan does not encourage our NEOs to take unnecessary and excessive risks that threaten the value of the Company or the Bank or the manipulation of reported earnings to enhance the compensation of any employee.

As described in the Compensation Discussion and Analysis, above, our short-term annual incentive plan is intended to focus our executives' efforts on key goals, which the Committee believes are drivers of shareholder value. A portion of each NEOs short-term incentive award targets are based on risk management criteria, such as asset quality and evaluation of risk management processes under the control of the NEO. The Compensation Committee believes that this plan does not encourage our NEOs to take unnecessary and excessive risks that threaten the value of the Company or the Bank or the manipulation of reported earnings to enhance the compensation of any employee.

The Incentive Savings Plan is a broad based plan that allows our employees, including NEOs, who satisfy eligibility requirements to contribute a portion of their salary and bonus to a 401(k) plan with investment options which include investments in the Company's common stock. We also make matching contributions to employee's 401(k) accounts under the Incentive Savings Plan. The Compensation Committee believes that this plan does not encourage our NEOs to take unnecessary and excessive risks that threaten the value of the Company or the Bank or the manipulation of reported earnings to enhance the compensation of any employee.

The Company has several incentive or variable compensation programs for non-executive employees. Each arrangement is available to different classes of employees. The largest of these programs are our incentive programs for unit presidents and relationship managers. Similar to the short-term incentive plan for our NEOs, unit presidents and relationship managers are awarded annual incentive compensation based on achievement of between four and six goals. These goals include performance in Company-wide areas such as earnings per share, overall asset quality, deposit growth and other factors. There are also employee-specific goals, such as deposit origination, asset quality of originated loans and others. We also have a relatively small division of loan officers focused on mortgage lending. These mortgage loan officers are compensated based on commissions determined by loan origination volume, however mortgage originations, like all other loans, remain subject to a separate underwriting approval process. The Compensation Committee has reviewed the structure and implementation of these arrangements and discussed the risks that face the Company and determined that the arrangements do not encourage unnecessary and excessive risks that threaten the value of the Company or the Bank or the manipulation of reported earnings to enhance the compensation of any employee.

Certifications Required Pursuant to Capital Purchase Program Regulations

The Compensation Committee certifies that:

(1) It has reviewed with senior risk officers the senior executive officer compensation plans and has made all reasonable efforts to ensure that these plans do not encourage SEOs to take unnecessary and excessive risks that threaten the value of the Company;

(2) It has reviewed with senior risk officers the employee compensation plans and has made all reasonable efforts to limit any unnecessary risks these plans pose to the Company; and

(3) It has reviewed the employee compensation plans to eliminate any features of these plans that would encourage the manipulation of reported earnings of the Company to enhance the compensation of any employee.

Respectfully submitted by the Compensation Committee,

| | | | |
|---|---|---|---|
| Michael A. DeCola, Chairman | William H. Downey | Birch M. Mullins | James J. Murphy, Jr. |

## SEVERANCE AND CHANGE IN CONTROL BENEFITS

We have entered into agreements with our NEOs granting them "double trigger" change in control benefits (i.e. the benefit is triggered if the executive is terminated or not offered continued employment upon a change in control of the Company.). The Committee believes these agreements serve the best interests of the Company and its stockholders by ensuring that, in considering any proposed change in control, the NEOs would be able to advise the Board about the potential objectively, without being unduly influenced by personal concerns such as the loss of employment following a change in control. These arrangements are intended to promote stability and continuity of senior management. In addition, our agreements with our NEOs generally provide for severance payments upon a termination without cause of between one and two years compensation. These severance and change in control arrangements are subject to the restrictions of the CPP executive compensation guidance.

Information on applicable payments under such agreements for NEOs is contained under the heading "Potential Payments Upon Termination or Change in Control" on page 28. These change in control benefits are subject to the CPP executive compensation standards and all of our NEOs have waived their rights to such payments to the extent prohibited by such standards.

### Section 162(m) of the Internal Revenue Code – Compensation Deductibility Limits

Other than for qualified performance-based compensation, Section 162(m) generally denies a deduction for federal revenue tax wages by any publicly held corporation for compensation paid in a taxable year to the Company's chief executive officer and four other highest compensated officers to the extent that the officer's compensation exceeds $1.0 million. In 2006, our stockholders approved an incentive plan that provides for performance-based compensation in compliance with Section 162(m). The plan is intended to permit the deductibility of compensation in excess of $1.0 million per year, if any, when paid in accordance with the plan. There may be circumstances in which the Committee may approve compensation that is not deductible to ensure competitive levels of compensation for its executive officers. As a result of the Company's participation in the CPP, the Company is subject to amendments to Section 162(m) which limit the deductibility of all compensation, including performance based compensation, to $500,000 per executive with respect to any taxable year during which the U.S. Treasury retains its CPP investment in the Company.

## EXECUTIVE EMPLOYMENT AGREEMENTS

All of the Executive Employment Agreements described below are subject to the executive compensation standards under the CPP regulations discussed above, which, among other things, limit or prohibit severance compensation and bonuses, and require recovery by the Company of variable compensation which is based on statements of earnings, revenues, gains or other criteria that are later found to be materially inaccurate. See "Potential Payments Upon Termination or Change in Control" below for information concerning the amounts which may be payable to our NEOs upon a termination of employment or a change in control.

### Executive Employment Agreement with Mr. Benoist

Effective May 1, 2008, the Company entered into an Executive Employment Agreement with Mr. Benoist. The agreement, as amended, specifies that Mr. Benoist will serve as President and Chief Executive Officer. The initial term ends on December 31, 2013, and shall be automatically extended for one year terms beginning January 1 and ending December 31 unless either the Company or executive provide written notice to the other party at least 90 days prior to expiration of the initial term or renewal term. The term may be extended by mutual written agreement of Mr. Benoist and the Company.

Mr. Benoist's agreement provides him with severance compensation in the event of his termination under certain circumstances. The agreement also has confidentiality and non-compete provisions for his period of employment and for a period of one year after termination of his employment.

The reason for termination determines the amount of severance compensation, if any, due to Mr. Benoist. Generally, he is entitled to payment of accrued base salary, bonus to the extent earned and payable, and accrued benefits through his date of termination. If the Company terminates Mr. Benoist "other than for cause", he will also be paid as severance compensation the amount of one year base salary and one year target level bonus, subject to the execution of a release and waiver of all claims. If he is terminated in a "change in control," he will be paid as severance compensation 24 months of base salary and target level bonus, paid in a discounted lump sum, and all unvested equity awards will become vested. Upon "voluntary" termination, termination "for cause", disability or death, neither Mr. Benoist nor his estate will be entitled to any severance compensation.

### Executive Employment Agreement with Mr. Sanfilippo

Effective as of December 1, 2004, the Company entered into a Key Executive Employment Agreement with Mr. Sanfilippo. Mr. Sanfilippo's agreement, as amended, provides for a continuous term until the agreement is terminated in accordance with its provisions. The agreement provides Mr. Sanfilippo with severance compensation in the event of his termination under certain circumstances. The agreement also has

confidentiality and non-compete provisions for his period of employment and for a period of one year after termination of his employment.

The method of termination determines the amount of severance compensation, if any, due to Mr. Sanfilippo. Generally, he is entitled to payment of accrued base salary, bonus to the extent earned and payable, and accrued benefits through his date of termination.

If Mr. Sanfilippo is terminated in a “change in control,” or terminated “other than for cause” while the Company is engaged in bona fide discussions regarding a potential “change in control”, he will be paid as severance compensation two years of base salary and target level bonus, paid in a discounted lump sum, and all unvested equity awards will become vested. Upon any other termination, disability or death, neither Mr. Sanfilippo nor his estate will be entitled to any severance compensation.

Executive Employment Agreement with Mr. Marsh

Effective as of July 1, 2008, the Company entered into a Key Executive Employment Agreement with Mr. Marsh. The agreement, as amended, provides for a continuous term until terminated in accordance with its provisions.

The agreement provides Mr. Marsh with severance compensation in the event of his termination under certain circumstances. The agreement also has confidentiality and non-compete provisions for his period of employment and for a period of one year after termination of his employment. The reason for termination determines the amount of severance compensation, if any, due to Mr. Marsh. Generally, he is entitled to payment of accrued base salary, bonus to the extent earned and payable, and accrued benefits through his date of termination. If the Company terminates Mr. Marsh “other than for cause,” he will also be paid as severance compensation the amount of twelve months base salary in a discounted lump sum. If he is terminated in a “change in control,” he will be paid as severance compensation 24 months of base salary and two years of target level bonus, paid in a discounted lump sum, and all unvested equity awards will become vested. Upon any other termination, disability or death, neither Mr. Marsh nor his estate will be entitled to any severance compensation.

Executive Employment Agreement with Ms. Hanson

Effective as of November 1, 2004, the Company entered into a Key Executive Employment Agreement with Ms. Hanson. Ms. Hanson’s employment agreement, as amended, provides for her continuous employment until the agreement is terminated in accordance with its provisions. The agreement provides Ms. Hanson with severance compensation in the event of her termination under certain circumstances. The agreement also has confidentiality and non-compete provisions for her period of employment and for a period of one year after termination of her employment.

The reason for termination determines the amount of severance compensation, if any, due to Ms. Hanson. Generally, she is entitled to payment of accrued base salary, bonus to the extent earned and payable, and accrued benefits through her date of termination. If Ms. Hanson is terminated in a “change in control,” she will be paid as severance compensation one year of base salary, paid in a discounted lump sum, and one year of target level bonus, and all unvested equity awards will become vested. This payment coincides with the one year non-compete covenant in her agreement, which provides that she will not, for the period of employment and twelve months afterward, solicit customers of the Company or seek to solicit associates to leave employment of the Company. If upon termination other than for cause after a “change in control”, the Company does not pay the one year severance compensation, then Ms. Hanson will not be held to the non-compete and non-solicitation provisions of her agreement.

Upon any other termination, disability or death, neither Ms. Hanson nor her estate will be entitled to any severance compensation.

Executive Employment Agreement with Mr. Barry

Effective as of February 17, 2010, the Company entered into an Amended and Restated Executive Employment Agreement with Mr. Barry. The agreement, as amended and restated, provides for his continuous employment until the agreement is terminated in accordance with its provisions. The agreement provides Mr. Barry with severance compensation in the event of his termination under certain circumstances. The agreement also has confidentiality and non-compete provisions for his period of employment and for a period of one year after termination of his employment.

The reason for termination determines the amount of severance compensation, if any, due to Mr. Barry. Generally, he is entitled to payment of accrued base salary, bonus to the extent earned and payable, and accrued benefits through his date of termination. If the Company terminates Mr. Barry "other than for cause," he will also be paid as severance compensation twelve months of base salary and one year target level bonus, subject to the execution of a release and waiver of all claims. If he is terminated in a "change in control," he will be paid as severance compensation 24 months of base salary and two years of target level bonus, and all unvested equity awards will become vested. Upon "voluntary" termination, the Company may choose to pay as severance compensation one year base salary and one year target level bonus, which will cause Mr. Barry to be held to the non-compete provision of his agreement.

Upon any other termination, disability or death, neither Mr. Barry nor his estate will be entitled to any severance compensation.

Grant of Restricted Shares to Mr. Barry. In connection with the execution and delivery of the Amended and Restated Executive Employment Agreement, Mr. Barry and the Company entered into a restricted stock award agreement pursuant to which Mr. Barry received a one time award of 10,000 shares of restricted stock. The restricted stock is subject to a five-year vesting schedule and complies with the requirements of the CPP.

SUMMARY COMPENSATION TABLE

The following table shows the compensation paid to the Company's NEOs for years ended December 31, 2010, 2009 and 2008.

| Name and Principal Position | Year | Salary ($) (1) | Stock Awards ($) (2) (3) (4) | Option Awards ($) (5) | Non-Equity Incentive Plan Compensation ($) (6) | All Other Compensation ($) (7) | Total ($) |
|---|---|---|---|---|---|---|---|
| Peter F. Benoist | 2010 | 460,000 | 56,950 | - | - | 17,197 | 534,147 |
| President and Chief Executive | 2009 | 425,000 | 57,750 | - | - | 12,725 | 495,475 |
| Officer | 2008 | 406,368 | - | 870,372 | - | 11,800 | 1,288,540 |
| Frank H. Sanfilippo | 2010 | 214,400 | 43,650 | - | - | 12,840 | 270,890 |
| Executive Vice President and | 2009 | 214,400 | 30,780 | - | - | 15,955 | 261,135 |
| Chief Financial Officer | 2008 | 212,733 | 49,605 | 377,810 | 27,000 | 15,300 | 682,448 |
| Stephen P. Marsh | 2010 | 275,000 | 28,125 | - | - | 22,171 | 325,296 |
| Executive Vice President; | 2009 | 275,000 | 23,625 | - | - | 21,190 | 319,815 |
| Chairman and Chief Executive | 2008 | 275,000 | 134,392 | 232,920 | - | 20,140 | 662,452 |
| Officer - Enterprise Bank & Trust | | | | | | | |
| Linda M. Hanson | 2010 | 261,050 | 45,055 | - | - | 15,290 | 321,395 |
| Regional President, KC | 2009 | 261,050 | 33,846 | - | - | 22,339 | 317,235 |
| Enterprise Bank & Trust | 2008 | 261,050 | - | 330,972 | - | 27,263 | 619,285 |
| John G. Barry | 2010 | 260,392 | 159,125 | - | - | 18,292 | 437,809 |
| Executive Vice President | 2009 | 260,392 | 38,599 | - | - | 19,530 | 318,521 |
| Enterprise Bank & Trust | 2008 | 260,392 | 60,006 | - | 98,750 | 21,012 | 440,160 |

(1) The 2010 salary amount shown for Mr. Benoist includes $425,000 of cash payments and $35,000 of dollar denominated restricted stock. Mr. Benoist was issued 3,696 restricted shares of Company stock, some of which were subsequently withheld to pay for taxes. For more information, see the heading "Base Salaries" and the Grants of Plan-Based Awards table.

(2) The amounts shown in this column for 2010 and 2009 represent the grant date fair value, computed in accordance with Financial Accounting Standards Board Codification Topic 718, Compensation - Stock Compensation ("FASB ASC 718"), disregarding estimates of forfeiture, of dollar denominated performance contingent grants of restricted stock. These grants of restricted stock were made under the 2002 Stock Incentive Plan and are also subject to a two or five year continuous service vesting schedule. The 2010 and 2009 grants were settled with an award of restricted stock on January 21, 2011 and February 17, 2010, respectively. For more information, see the heading "Short-Term Annual Incentives" and the Grants of Plan-Based Awards table.

(3) The amounts shown in this column for 2008 represent the grant date fair value, computed in accordance with FASB ASC 718, disregarding estimates of forfeiture, of dollar denominated awards of restricted stock units on the applicable award date. The awards are the result of satisfaction of performance contingent grants in prior years. All awards of restricted stock units were made under the 2002 Stock Incentive Plan and are subject to a five year continuous service vesting schedule. The restricted stock units are settled in stock. Dividends are not paid on unvested shares. These awards are discussed in further detail under the heading "Long-Term Incentive Compensation."

(4) The aggregate grant date fair value for 2008, 2009 and 2010 performance contingent grants pursuant to the Long-term Incentive Compensation plan computed in accordance with FASB ASC 718, based upon the probable outcome of the performance conditions is $0. The performance condition for these grants is based on the Company's results relative to peers for a three-year period and therefore, the probable outcome is not yet determinable. The maximum value of such awards assuming the highest level of performance would be achieved is as follows: Mr. Benoist - $403,200 (2010, 2009 and 2008), Mr. Sanfilippo - $100,800 (2010, 2009, and 2008); Mr. Marsh - $144,900 (2010, 2009, and 2008); Ms. Hanson - $107,100 (2010, 2009, and 2008) and Mr. Barry - $60,000 (2010, 2009, and 2008). These grants are discussed in further detail under the heading "Long-Term Incentive Compensation."

(5) The amounts shown in this column represent the grant date fair value, computed in accordance with FASB ASC 718, disregarding estimates of forfeiture, of dollar denominated awards of stock settled stock appreciation rights. The awards are the result of satisfaction of performance contingent grants in prior years. All awards of restricted stock units were made under the 2002 Stock Incentive Plan and are subject to a five year continuous service vesting schedule. For more information, please refer to Note 16 - Compensation Plans included in the Company's 2010 Consolidated Financial Statements included on Form 10-K filed with the Securities and Exchange Commission on or around March 11, 2011.

(6) The amounts shown in this column constitute the Short-Term Cash Incentive earned by each Named Executive Officer based on the Board's evaluation of each Officer's performance. These awards are discussed in further detail under the heading "Short-Term Annual Incentives."

(7) This column indicates amounts for various benefits provided to the NEO's as shown in the following supplemental table.

ALL OTHER COMPENSATION – SUPPLEMENTAL TABLE

| Name and Principal Position | Year | 401(k) Match | Car Allowance (1) | Club Dues | Life Insurance | Town Hall Cash Bonus | Total |
|---|---|---|---|---|---|---|---|
| Peter F. Benoist | 2010 | 6,125 | 7,200 | - | 3,822 | 50 | 17,197 |
| President and Chief Executive | 2009 | 6,125 | 6,600 | - | - | - | 12,725 |
| Officer | 2008 | 5,750 | 6,000 | - | - | 50 | 11,800 |
| Frank H. Sanfilippo | 2010 | 4,590 | 7,200 | - | 1,000 | 50 | 12,840 |
| Executive Vice President and | 2009 | 5,355 | 3,600 | 7,000 | - | - | 15,955 |
| Chief Financial Officer | 2008 | 5,750 | - | 9,500 | - | 50 | 15,300 |
| Stephen P. Marsh | 2010 | 6,125 | 7,200 | 7,200 | 1,596 | 50 | 22,171 |
| Executive Vice President; | 2009 | 6,125 | 6,600 | 8,465 | - | - | 21,190 |
| Chairman and Chief Executive | 2008 | 5,750 | 6,000 | 8,340 | - | 50 | 20,140 |
| Officer - Enterprise Bank & Trust | | | | | | | |
| Linda M. Hanson | 2010 | 6,125 | - | 7,200 | 1,915 | 50 | 15,290 |
| Regional President, KC | 2009 | 6,125 | 6,000 | 9,299 | 915 | - | 22,339 |
| Enterprise Bank & Trust | 2008 | 5,750 | 12,000 | 8,548 | 915 | 50 | 27,263 |
| John G. Barry | 2010 | 6,125 | 2,391 | 7,200 | 2,526 | 50 | 18,292 |
| Executive Vice President | 2009 | 6,125 | 3,088 | 9,387 | 930 | - | 19,530 |
| Enterprise Bank & Trust | 2008 | 5,750 | 3,088 | 11,194 | 930 | 50 | 21,012 |

(1) Executives and key management are typically provided a car allowance, which may be used toward the cost of car ownership, including leases/loans, insurance, and maintenance. In some instances, certain executives are allowed usage of a Company leased vehicle in lieu of receiving a car allowance.

GRANTS OF PLAN-BASED AWARDS

The following table sets forth the individual Plan-Based Awards for each of the NEOs during 2010.

| | | Estimated Future Payouts Under Equity Incentive Plan Awards (2) | | | All Other Stock Awards: Number of Shares of Stock or Units (1) | Grant Date Fair Value of Stock and Option Awards |
|---|---|---|---|---|---|---|
| Name | Grant Date | Threshold ($) | Target ($) | Maximum ($) | (#) | ($) |
| Peter F. Benoist | 1/15/2010 (1) | - | - | - | 542 | 5,000 |
| | 1/29/2010 (1) | - | - | - | 535 | 5,000 |
| | 2/12/2010 (1) | - | - | - | 598 | 5,000 |
| | 2/17/2010 (2) (3) | 78,167 | 111,667 | 145,167 | - | - |
| | 2/26/2010 (1) | - | - | - | 583 | 5,000 |
| | 3/15/2010 (1) | - | - | - | 534 | 5,000 |
| | 3/31/2010 (1) | - | - | - | 452 | 5,000 |
| | 4/15/2010 (1) | - | - | - | 452 | 5,000 |
| | 6/11/2010 (4) | 268,800 | 336,000 | 403,200 | - | - |
| Frank H. Sanfilippo | 2/17/2010 (2) (3) | 31,500 | 45,000 | 58,500 | - | - |
| | 6/11/2010 (4) | 67,200 | 84,000 | 100,800 | - | - |
| Stephen P. Marsh | 2/17/2010 (2) (3) | 43,750 | 62,500 | 81,250 | - | - |
| | 6/11/2010 (4) | 96,600 | 120,750 | 144,900 | - | - |
| Linda M. Hanson | 2/17/2010 (2) (3) | 38,500 | 55,000 | 71,500 | - | - |
| | 6/11/2010 (4) | 71,400 | 89,250 | 107,100 | - | - |
| John G. Barry | 2/17/2010 (2) (3) | 43,750 | 62,500 | 81,250 | - | - |
| | 2/17/2010 (5) | - | - | - | 10,000 | 91,000 |
| | 6/11/2010 (4) | 40,000 | 50,000 | 60,000 | - | - |

(1) Restricted stock was granted to Mr. Benoist in conjunction with an increase in his base salary. See under the heading “Base Salary” for more information. Some shares were subsequently withheld to pay for taxes.

(2) The grants were denominated in dollars and are settled in restricted stock.

(3) On January 21, 2011 the Company made the following awards in the form of restricted shares in settlement of these performance contingent grants: Mr. Benoist, 4,931 sha