

CSB BANCORP INC /OH  
Form DEF 14A  
March 26, 2010

**United States  
Securities and Exchange Commission  
Washington, DC 20549**

**SCHEDULE 14A  
SCHEDULE 14A INFORMATION**

**PROXY STATEMENT PURSUANT TO SECTION 14(a) OF THE SECURITIES EXCHANGE ACT OF 1934**

Filed by the Registrant    
Filed by a Party other than the Registrant

Check the appropriate box:

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

**CSB BANCORP, INC.**

(NAME OF REGISTRANT AS SPECIFIED IN ITS CHARTER)

(NAME OF PERSON(S) FILING PROXY STATEMENT, IF OTHER THAN THE REGISTRANT)

Payment of Filing Fee (Check the appropriate box):

- No fee required.
- Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.
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- Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.
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91 North Clay Street  
Millersburg, Ohio 44654  
March 26, 2010

To Our Shareholders:

You are cordially invited to attend the Annual Meeting of Shareholders to be held on Wednesday, April 21, 2010, at 7:00 p.m. at the Carlisle Inn, Walnut Creek, Ohio 44687.

The election of Directors will take place at the Annual Meeting. This year we will elect two directors whose term will expire at the Annual Meeting in 2013. Both of the nominees are currently serving as Directors. We are also asking you to ratify the selection of our independent registered public accountants for the coming fiscal year.

Enclosed is the Notice of Annual Meeting together with a Proxy Statement which contains information with respect to the nominees to serve as Directors, as well as the other Directors who will continue in office, and additional information with respect to the public accountant proposal you are being asked to vote upon.

It is very important that your shares be voted, and we hope that you will be able to attend the Annual Meeting. We urge you to execute and return the enclosed form of proxy as soon as possible, whether or not you expect to attend the Annual Meeting in person.

Sincerely,

/s/ John R. Waltman

/s/ Eddie L. Steiner

John R. Waltman  
Chairman, Board of Directors

Eddie L. Steiner  
President and Chief Executive Officer

**CSB BANCORP, INC.**  
**91 North Clay Street**  
**Millersburg, Ohio 44654**  
**NOTICE OF ANNUAL MEETING OF SHAREHOLDERS**  
**To Be Held Wednesday, April 21, 2010**

The Annual Meeting of Shareholders of CSB Bancorp, Inc. ( CSB ) will be held at the Carlisle Inn, Walnut Creek, Ohio, on Wednesday, April 21, 2010, at 7:00 p.m. local time, for the following purposes:

1. To elect two directors for three-year terms ending in 2013;
2. To ratify the appointment of S.R. Snodgrass, A.C. as the independent registered public accounting firm for CSB Bancorp, Inc. for the year 2010;
3. To transact any other business that may properly come before the Meeting or any adjournments thereof.

The Board of Directors has fixed the close of business of March 1, 2010 as the record date for the determination of shareholders entitled to notice of, and to vote at, the Annual Meeting. Your Board of Directors recommends that you vote **FOR** the election of each of the director nominees and **FOR** the ratification of the independent registered public accounting firm.

By Order of the Board of Directors,

/s/ Eddie L. Steiner  
Eddie L. Steiner  
President and Chief Executive Officer

Millersburg, Ohio  
March 26, 2010

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**CSB BANCORP, INC.**  
**91 North Clay Street**  
**Millersburg, Ohio 44654**  
**PROXY STATEMENT**  
**ANNUAL MEETING OF SHAREHOLDERS**  
**April 21, 2010**  
**GENERAL**

The enclosed proxy is solicited by the Board of Directors of CSB Bancorp, Inc. ( CSB or Company ), the principal executive offices of which are located at 91 North Clay Street, Millersburg, Ohio 44654, in connection with the Annual Meeting of Shareholders (the Meeting ) of CSB to be held on Wednesday, April 21, 2010, at the Carlisle Inn, Walnut Creek, Ohio, at 7:00 p.m. local time or at any adjournment thereof. This proxy statement and the accompanying notice of meeting are first being mailed to shareholders on or about March 26, 2010.

The Meeting has been called for the following purposes: (i) to elect two directors, each for a three-year term; (ii) to ratify the selection of the independent registered public accounting firm for 2010; (iii) to transact any other business that may properly come before the Meeting or any adjournment thereof.

**REVOCAION OF PROXIES, DISCRETIONARY AUTHORITY  
AND CUMULATIVE VOTING**

Shares of CSB s common stock, par value \$6.25 per share (the Common Shares ), can be voted at the Meeting only if the shareholder is represented by proxy or is present in person. Shareholders who execute proxies retain the right to revoke it prior to or at the Meeting. Unless so revoked, the shares represented by such proxies will be voted at the Meeting and all adjournments thereof. Proxies may be revoked by written notice to the Secretary of CSB (addressed to: CSB Bancorp, Inc., 91 North Clay Street, Millersburg, Ohio 44654, Attention: Ms. Peggy L. Conn, Secretary) or by the filing of a later dated proxy prior to a vote being taken on a particular proposal at the Meeting. A proxy will not be voted if a shareholder attends the Meeting and votes in person. Proxies solicited by the Board of Directors will be voted in accordance with the directions given therein. Where no instructions are indicated, proxies will be voted for the nominees for directors set forth below or as otherwise described herein in the event cumulative voting for directors is properly requested. The proxy confers discretionary authority on the persons named therein to vote with respect to (i) the election of any person as a director where the nominee is unavailable or unable to serve, (ii) matters incident to the conduct of the Meeting and (iii) any other business that may properly come before the Meeting or any adjournment thereof. At this time, it is not known whether there will be cumulative voting for the election of directors at the Meeting. Cumulative voting is not available for the other proposals referenced and described below. If any shareholder properly demands cumulative voting for the election of directors at the Meeting, their proxy will give the individuals named on the proxy full discretion and authority to vote cumulatively, and in their sole discretion to allocate votes among any or all of the nominees for director, unless authority to vote for any or all of the nominees is withheld. CSB is the sole shareholder of The Commercial & Savings Bank of Millersburg, Ohio, an Ohio banking corporation ( Bank ).

The Board of Directors of CSB is soliciting the enclosed proxy and the cost of soliciting proxies will be borne by CSB. In addition to use of the mail, proxies may be solicited personally or by telephone, telefax, or email by directors, officers and employees of CSB.

## VOTING INFORMATION

### Who can vote at the Annual Meeting?

Only holders of common shares of record at the close of business on March 1, 2010 are entitled to receive notice of and to vote at the Meeting. At the close of business on March 1, 2010, there were 2,734,799 common shares outstanding and entitled to vote. The common shares are the only shares of CSB's capital stock entitled to vote at the Meeting.

Each holder of common shares is entitled to one vote for each common share held on March 1, 2010. A shareholder wishing to exercise cumulative voting with respect to the election of directors must notify the President, a Vice President or the Secretary of CSB in writing before 7:00 p.m., on April 19, 2010. If cumulative voting is requested and if an announcement of such request is made upon the convening of the Meeting by the chairman or the secretary of the meeting or by or on behalf of the shareholder requesting cumulative voting, you will have votes equal to the number of directors to be elected, multiplied by the number of common shares owned by you, and will be entitled to distribute your votes among the candidates as you see fit.

### How do I vote?

Whether or not you plan to attend the Meeting, we urge you to vote in advance by proxy. To do so, you may complete, sign and date the accompanying proxy card and return it in the envelope provided.

If you plan to attend the Meeting and vote in person, we will give you a ballot when you arrive. If your common shares are held in the name of your broker, your financial institution or another record holder, you must bring an account statement or letter from that broker, financial institution or other holder of record authorizing you to vote on behalf of such record holder. The account statement or letter must show that you were the direct or indirect beneficial owner of the common shares on March 1, 2010, the record date for voting at the Meeting.

### What if my common shares are held in street name ?

If you hold your common shares in street name with a broker, a financial institution or another holder of record, you should review the information provided to you by such holder of record. This information will describe the procedures you need to follow in instructing the holder of record how to vote your street name common shares and how to revoke previously given instructions. If you hold your common shares in street name, you may be eligible to appoint your proxy electronically via the Internet or telephonically and may incur costs associated with the electronic access or telephone usage.

### How will my common shares be voted?

Those common shares represented by a properly executed proxy card that is received prior to the Meeting and not subsequently revoked will be voted as you direct. If you submit a valid proxy card prior to the Meeting but do not complete the voting instructions on the proxy card, to the extent permitted by applicable law, your proxy will vote your common shares as recommended by the Board of Directors, as follows:

**FOR** the election of each of the director nominees listed below under **PROPOSAL 1 ELECTION OF DIRECTORS;**

**FOR** the ratification of S.R. Snodgrass, A.C. as the independent registered public accounting firm for CSB Bancorp, Inc. for the year 2010 under **PROPOSAL 2 RATIFICATION AND APPOINTMENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM.**

**No appraisal or dissenters' rights exist for any action proposed to be taken at the Annual Meeting.**

If any other matters are properly presented for voting at the Meeting, the persons named as proxies on the accompanying proxy card will vote on those matters, to the extent permitted by applicable law, in accordance with their best judgment.

**May I revoke my proxy?**

Yes. You may change your mind after you send in your proxy card by following any one of the following three procedures. To revoke your proxy:

Send in another signed proxy card with a later date, which must be received by CSB prior to the Annual Meeting;

Send written notice revoking your proxy to Ms. Peggy L. Conn, Corporate Secretary, CSB Bancorp, Inc., 91 North Clay Street, Millersburg, Ohio 44654, which must be received prior to the Annual Meeting; or

Attend the Meeting and revoke your proxy in person if your common shares are held in your name. If your common shares are held in the name of your broker, your financial institution or another holder of record and you wish to revoke your proxy in person, you must bring an account statement or letter from the broker, financial institution or other holder of record indicating that you were the beneficial owner of the common shares on March 1, 2010, the record date for voting.

The last-dated proxy you submit (by any means) will supersede any previously submitted proxy.

***Attendance at the Annual Meeting will not, by itself, revoke your proxy.***

**What constitutes a quorum and what vote is required with respect to the proposals presented at the Annual Meeting?**

Under CSB's Regulations, a quorum is a majority of the voting shares of CSB then outstanding and entitled to vote at the Meeting. The common shares are the only shares of CSB's capital stock entitled to vote at the Meeting. Common shares may be present in person or represented by proxy at the Meeting. Both abstentions and broker non-votes are counted as being present for purposes of determining the presence of a quorum. There were 2,734,799 common shares outstanding and entitled to vote on March 1, 2010, the record date. A majority of the outstanding common shares, or 1,367,400 common shares, present in person or represented by proxy, will constitute a quorum. A quorum must exist to conduct business at the Meeting. Prior to January 1, 2010, broker non-votes were counted for purposes of determining the presence or absence of a quorum and for routine matters including the election of directors. Brokers who hold their customers' shares in street name submit proxies for shares on some matters, but not others. Generally, this occurs when brokers have not received any instructions from their customers. In these cases, the brokers, as the holders of record are permitted to vote on routine matters, which typically include the ratification of the independent registered public accounting firm, but not on non-routine matters. Effective January 1, 2010, brokers are no longer permitted to vote on the election of directors without instructions from their customers.

**Election of Directors**

Under Ohio law and CSB's Regulations, the two nominees for election as CSB directors receiving the most votes **FOR** election will be elected as directors in the class whose terms will expire at the 2013 Annual Meeting of Shareholders. Common shares as to which the authority to vote is withheld will be counted for quorum purposes but will not affect whether a nominee has received sufficient votes to be elected.

**Why the proposal to ratify the appointment of the Independent Registered Public Accounting Firm?**

The Audit Committee has again selected S. R. Snodgrass, A.C., an independent registered public accounting firm as CSB's independent public accounting firm for 2010. S.R. Snodgrass, A.C. has served as CSB's accountant since 2005. Although not required, shareholders are being asked to ratify the appointment of S.R. Snodgrass, A.C. for CSB for the year 2010. Representatives of S.R. Snodgrass, A.C. will be present at the annual meeting and will have an opportunity to make a statement if they desire to do so and will be available to respond to appropriate questions.

**What is the recommendation of CSB's Board of Directors?**

CSB's Board of Directors recommends that each shareholder vote **FOR** nominees for directors and **FOR** the ratification of the appointment of S.R. Snodgrass, A.C. as the independent registered public accounting firm for CSB Bancorp, Inc. for the year 2010.

**Who pays the cost of proxy solicitation?**

CSB will pay the costs of preparing, assembling, printing and mailing this proxy statement, the accompanying proxy card, the 2009 Annual Report and other related materials and all other costs incurred in connection with the solicitation of proxies on behalf of the Board of Directors. Although we are soliciting proxies by mailing these proxy materials to holders of our common shares, the directors, officers and employees of CSB and our subsidiaries also may solicit proxies by further mailing, personal contact, telephone, facsimile or electronic mail without receiving any additional compensation for such solicitations.

**IMPORTANT NOTICE REGARDING THE AVAILABILITY OF PROXY MATERIALS FOR THE SHAREHOLDER MEETING TO BE HELD ON APRIL 21, 2010**

The Proxy Statement, Form 10-K for the year ended December 31, 2009, and the 2009 Annual Report to shareholders are available at <http://www.csb1.com/Investor Relations>.

**SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT**

Shareholders of record as of the close of business on March 1, 2010, (the Record Date), are entitled to (i) notice of the Meeting and (ii) one vote on each matter to be considered at the Meeting for each Common Share held on that date. As of the Record Date, there were 2,734,799 Common Shares issued and outstanding. The presence at the Meeting in person or by proxy of at least a majority of such shares will be required to constitute a quorum at the Meeting. Common Shares held by holders who abstain from voting and all Common Shares held by brokers who do not have the discretionary authority to vote on certain matters will be included in determining the presence of a quorum. Consequently, an abstention or a broker non-vote has the same effect as a vote against a proposal or director nominee, as each abstention or broker non-vote would be one less vote in favor of a proposal or for a director nominee. Shareholders will not be entitled to dissenter's rights with respect to any matter to be considered at the Meeting.



**BENEFICIAL OWNERSHIP**

The following table sets forth, as of the Record Date, (i) the Common Shares beneficially owned by each director, nominee for director and named executive officer of CSB or any person who has acted in such capacity since the beginning of the last fiscal year of CSB and (ii) the Common Shares beneficially owned by all current executive officers and directors as a group.

**Number of Common Shares<sup>1</sup>**

Name of Beneficial Owner	Number of Common Shares <sup>1</sup>			Shares of Common Stock	Percent of Class
	Sole	Shared	Options	Beneficially Owned	
Robert K. Baker	7,530.0000	2,855.4136		10,385.4136	*
Ronald E. Holtman	1,800.0000	500.0000		2,300.0000	*
J. Thomas Lang	1,305.0000	5,853.1468		7,158.1468	*
Daniel J. Miller	31,562.1910	16,573.0000		48,135.1910	1.73%
Jeffery A. Robb, Sr.	4,426.2856			4,426.2856	*
Eddie L. Steiner	19,343.0000	1,312.4265		20,655.4265	*
John R. Waltman	15,740.0000	397.1479		16,137.1479	*
Rick L. Ginther		3,777.8553	1,000.0000	4,777.8553	*
Paul D. Greig	372.8510	2,314.0000	12,904.0000	15,590.8510	*
Paula J. Meiler	7,660.0890	100.0000	18,856.0000	26,616.0890	*
Total of Directors and Executive Officers as a Group (12 persons)	92,638.5436	34,562.6307	33,560.0000	160,761.1743	5.79%

<sup>1</sup> The amounts shown represent the total outstanding Common Shares beneficially owned by the individuals and the Common Shares issuable upon the exercise of stock options exercisable

within the next  
sixty days from  
March 1, 2010.

\* Indicates less  
than 1%  
beneficial  
ownership of  
the total of  
Common Shares  
outstanding as  
of March 1,  
2010 plus the  
number of  
Common Shares  
issuable upon  
the exercise of  
outstanding  
options for the  
person or  
persons  
indicated. None  
of the shares  
reported are  
pledged as  
security.

### **SECTION 16(a) BENEFICIAL OWNERSHIP REPORTING COMPLIANCE**

Section 16(a) of the Securities Exchange Act of 1934 requires CSB's officers, directors and persons who own more than ten percent of a registered class of CSB's equity securities to file reports of ownership and changes in ownership with the Securities and Exchange Commission. Officers, directors and greater than ten percent shareholders are required to furnish CSB with copies of all Section 16(a) forms they file. During 2009, based solely on CSB's review of the copies of such forms received by it and by statements of officers and directors that they complied with all applicable filing requirements, CSB's officers, directors and greater than ten percent beneficial owners have complied with all filing requirements applicable to them.

### **ELECTION OF DIRECTORS**

CSB's Code of Regulations provide that its business shall be managed by a board of directors of not less than three and not more than twenty-five persons. CSB's Regulations divide such directors into three classes, as nearly equal in number as possible, and set their terms at three years. The Board of Directors, pursuant to CSB's Code of Regulations, has established the number of directors at seven (7).

Assuming that at least a majority of the issued and outstanding Common Shares are present at the Meeting so that a quorum exists, the two nominees for director of CSB receiving the most votes will be elected as directors.

Shareholders have the right to vote cumulatively in the election of directors. In order to exercise the right to vote cumulatively, a shareholder must give written notice to the President, a Vice President or the Secretary of CSB not less than forty-eight hours before the time fixed for the Meeting, and the shareholder's demand for cumulative voting must be announced at the commencement of the Meeting by or on behalf of the shareholder. If cumulative voting is elected, a shareholder may cast as many votes in an election of directors as the number of directors to be elected multiplied by the number of shares held. The Board of Directors has nominated Jeffery A. Robb, Sr. and John R. Waltman to serve until the 2013 Annual Meeting of Shareholders, and until their respective successors are elected and qualified. Mr. Robb and Mr. Waltman are incumbent directors whose present terms expire at the Meeting.

If it is intended that Common Shares represented by the accompanying form of proxy will be voted for the election of nominees, please so indicate on the proxy card. (If you do not wish your shares to be voted for particular nominees, please so indicate on the proxy card.) If one or more of the nominees should, at the time of the Meeting, be unavailable or unable to serve as a director, the shares represented by the proxies will be voted to elect the remaining nominees and any substitute nominees designated by the Board of Directors. The Board of Directors knows of no reason why any of the nominees will be unavailable or unable to serve. At this time, it is not known whether there will be cumulative voting for the election of directors at the Meeting. If any shareholder properly demands cumulative voting for the election of directors at the Meeting, your proxy will give the individuals named on the proxy full discretion and authority to vote cumulatively and in their sole discretion to allocate votes among any or all of the nominees, unless authority to vote for any or all of the nominees is withheld.

**The Board of Directors recommends that shareholders vote FOR the election of the nominees.**

The following information, as of February 18, 2010, with respect to the age, principal occupation or employment, other affiliations and business experience during the last five years of each director and director nominee, has been furnished to CSB by each director. In addition, the following information provides the Nominating Committee's evaluation regarding re-nomination of each of the director nominees and the key attributes, skills, and qualifications presented by each director nominee. Each nominee, if elected, will serve for a term expiring at the Annual Meeting of Shareholders in 2013.

**NOMINEES FOR DIRECTOR  
(Term Expiring in 2013)**

**Jeffery A. Robb, Age 60**

Mr. Robb has served as a director of CSB since 2001 and is a member of the Audit and Executive Committees. The Company has designated Mr. Robb as an audit committee financial expert. Mr. Robb is currently President of Robb Companies, Inc. located in Hebron, Ohio, a privately owned firm. He is a licensed auctioneer in the State of Ohio. Mr. Robb, who maintains an inactive certified public accounting license in the state of Ohio, is a former director of the Federal Reserve Bank of Cleveland and former executive director of the Community Bankers Association of Ohio. Mr. Robb is the retired president and CEO of Proctor, Robb and Company, CPA an accounting firm that specialized in the banking and thrift industry. The Nominating Committee believes that the attributes, skills and qualifications Mr. Robb has developed through his educational background in accounting and his professional experiences as an executive officer, director and bank service provider allow him to provide continued financial and bank specific expertise to the Board of Directors and has nominated him for re-election.

**John R. Waltman, Age 68**

Mr. Waltman has served as a director of CSB since 2001; Chairman of the Board of CSB since 2007 and is the Chairman of the Executive Committee. Mr. Waltman serves of counsel to the law firm Critchfield, Critchfield and Johnston Ltd., Millersburg, Ohio and also serves as a Trustee of the Holmes County Education Foundation, a 501(c) 3 non-profit foundation. The Nominating Committee believes that the attributes, skills and qualifications Mr. Waltman has developed through his education and experiences in the legal field generally and in the northcentral Ohio business market, his leadership role in a philanthropic foundation, as well as his knowledge and experience as a director of CSB, allow him to provide continued legal and local business expertise to the Board of Directors and has nominated him for re-election.

**INCUMBENT DIRECTORS WHO ARE NOT NOMINEES FOR ELECTION**

**Ronald E. Holtman, Age 67**

Mr. Holtman has served as a director of CSB since 2001; is Chairman of the Audit Committee and is a member of the Executive and Nominating Committees. He is a practicing attorney and a partner in the law firm of Logee, Hostetler, Stutzman & Lehman, located in Wooster, Ohio. Mr. Holtman serves as a director of the Western Reserve Group, a mutual insurance company, located in Wooster, Ohio. He is also a Trustee of Wayne County Community Foundation and East Ohio United Methodist Foundation. Mr. Holtman served as a Judge Advocate in the United States Air Force and upon entering private practice has specialized in advising small businesses and individuals in the areas of real estate, commercial matters, tax and business planning, estate planning, probate of estates and banking matters. Mr. Holtman's education and experiences in the legal field, generally and in the northcentral Ohio business markets, and his experience as a director of CSB, allow him to provide continued local business and real estate expertise to the Board of Directors. His current term will expire in 2012.

**Dr. Daniel J. Miller, Age 70**

Dr. Miller has served as a director of CSB since 1979 and is a member of the Executive Committee. He is a retired physician and currently is Chairman of the Board of Dutchman Hospitality Group, Inc. a private company managing restaurants and hotels, based in Walnut Creek, Ohio. Dr. Miller served as Chairman of the Board of CSB from 1995 through 1999. Previously, Dr. Miller served as a practicing physician with East Holmes Family Care, Inc. Dr. Miller's education and leadership experiences in private business, his knowledge of the local community, as well as his experience as a director of CSB, allow him to provide continued regional business expertise to the Board of Directors. His current term will expire in 2012.

**Eddie L. Steiner, Age 54**

Mr. Steiner has served as a director of CSB since 2001 and Chief Executive Officer of CSB since 2006, Chairman of the Bank since 2006 and is a member of the Executive Committee. Mr. Steiner serves as a director and Chairman of the Audit Committee of the Western Reserve Group, a mutual insurance company, located in Wooster, Ohio. Prior to joining CSB, Mr. Steiner was previously employed by Smith Dairy Products Company, a private regional dairy processor, located in Orrville, Ohio, from 1990 through 2006, serving in various capacities as Vice President of Production, Production Coordinator and Personnel Director. Mr. Steiner is a licensed certified public accountant in the state of Ohio and began his professional career as a staff accountant with Ernst and Whinney in Akron, Ohio. Mr. Steiner graduated from the ABA Stonier Graduate School of Banking in 2008. Mr. Steiner's past CSB Committee memberships include Chairman of the Audit Committee from 2003-2006, during which time he was designated as an audit committee financial expert. Mr. Steiner's education and experiences in the banking and financial services industries as well as his business leadership experiences and skills, allow him to provide continued business and leadership insight to the Board of Directors. His current term will expire in 2012.

**Robert K. Baker, Age 55**

Mr. Baker has served as a director of CSB since 2001, is Chairman of the Compensation and Nomination Committees and is a member of Audit Committee. The Company has designated Mr. Baker as an audit committee financial expert. Mr. Baker is Assistant Secretary/Treasurer and Controller of Bakerwell, Inc. a privately owned gas and oil company, since 1983. Mr. Baker who maintains an inactive certified public accounting license in the State of Ohio began his professional career as a staff accountant at Ernst and Whinney in Youngstown, Ohio. Mr. Baker served as Chairman of the Board of CSB from 2002 through 2006. Mr. Baker's education and business ownership experiences in the northcentral Ohio business market and his knowledge and experience as a director of CSB, allow him to provide continued financial and regional business expertise to the Board of Directors. His current term will expire in 2011.

**J. Thomas Lang, Age 66**

Mr. Lang has served as a director of CSB since 1993 and is a member of the Compensation, Executive and Nominating Committees. Mr. Lang is a veterinarian and dairy farmer and is a co-owner and operator of Spring Hill Farm Inc. Mr. Lang's education and agricultural ownership experiences in the local business market as well as his knowledge and experience as a director of CSB, allow him to provide continued regional agricultural business and leadership expertise to the Board of Directors. His current term will expire in 2011.

The following table sets forth information concerning the current executive officers of CSB. Included in the table is information regarding each person's principal occupation or employment during the past five years.

**EXECUTIVE OFFICERS**

<b>Name</b>	<b>Age</b>	<b>Principal Occupation<sup>2</sup></b>	<b>Positions Held With CSB</b>	<b>Year First Appointed Officer</b>	<b>Current Term to Expire</b>
Rick L. Ginther	59	Banker	Senior Vice President; Director, President and Chief Executive Officer of The Commercial and Savings Bank; formerly, Senior Vice President and Chief Lending Officer (2003-2006)	2003	N/A
Paul D. Greig	64	Banker	Senior Vice President and Chief Operations/Information Officer	2003	N/A
Paula J. Meiler	55	Banker	Senior Vice President and Chief Financial Officer	2004	N/A

<sup>2</sup> Unless otherwise noted herein, each of the Officers has been engaged in the occupations and employment described above for the past five years.

**Membership and Meetings of the Board and its Committees**

In 2009, each director attended more than seventy-five percent of the total number of meetings of the board and the committees on which they serve. In addition, all board members are expected to attend the annual meetings of shareholders, and all attended the 2009 Annual Meeting of Shareholders. Current committee membership and the number of meetings of the full board and each committee in 2009 are shown in the table below.

Name	CSB	Subsidiary	Executive	Nominating	Compensation	Audit
	Bancorp, Inc. Board	Bank Board				
Mr. Baker	Member	Member		Chair	Chair	Member
Mr. Holtman	Member	Member		Member	Member	Chair
Mr. Lang	Member	Member	Member	Member	Member	
Dr. Miller	Member	Member	Member			
Mr. Robb	Member	Member	Member			Member
Mr. Steiner	Member	Chair	Member			
Mr. Waltman	Chair	Member	Chair			
Mr. Ginther		Member	Member			

Number of 2009 meetings	12	12	23	2	2	12
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The following board members are considered Independent as defined under NASDAQ Rule 5605: Mr. Baker, Mr. Holtman, Mr. Lang, Dr. Miller, Mr. Robb, and Mr. Waltman.

**Board Leadership**

Since his appointment as President and CEO in 2006, Eddie L. Steiner has also served as Chairman of the Board of the wholly owned subsidiary, The Commercial & Savings Bank. John R. Waltman is the Chairman of the Board of Directors of CSB. The Board of Directors believes Mr. Steiner's role is to identify CSB's strategic priorities and lead Board discussions on the execution of Company strategy. The Board of Directors believes that the separation of the CEO and board chair positions within its leadership structure appropriately balances the promotion of CSB's strategic development with the Board's management oversight function. The Board of Directors also believes that its leadership structure has created an environment of open, efficient communication between the Board and management, enabling the Board to maintain an active, informed role in risk management by being able to monitor and manage those matters that may present significant risks to CSB.

**Directors Compensation**

Each director of CSB also serves as a director of the Bank. Outside directors of the Bank are compensated for board and committee meetings. Directors receive no compensation from CSB. Directors who are employees receive no additional compensation for serving on the board or its committees. In 2009, we provided the following annual compensation to directors who are not employees:

**Cash Compensation**

The Bank provides directors the following cash compensation:

Retainer of \$10,000 per year, paid quarterly

\$500 for each board and committee meeting attended

Reimbursement for customary and usual travel expenses (outside of board and committee meeting attendance)

Name	Fees Earned  Or Paid in Cash (\$)	Stock Awards (\$)	Option Awards (\$)	Non-Equity Incentive Plan Compensation (\$)	Change in Pension Value and Nonqualified Deferred Compensation Earnings	All Other Compensation (\$) <sup>3</sup>	Total (\$)
Mr. Baker	\$29,000					1,298	\$30,298
Mr. Holtman	29,500						29,500
Mr. Lang	29,000						29,000
Dr. Miller	33,000						33,000
Mr. Robb	33,500					3,306	36,806
Mr. Waltman	34,500					170	34,670

No director stock awards or options were granted in 2009.

**Committees of the Board of Directors**

CSB has a Nominating Committee, which recommends to the board the nominees for election as directors. The Nominating Committee currently consists of Robert K. Baker, Ronald E. Holtman, and J. Thomas Lang. The Nominating Committee will consider candidates for nomination as a director who are recommended by shareholders, directors and other sources. Under the terms of the Nominating Committee Charter, the Committee is responsible for developing and implementing a process and guidelines for the selection of individuals for nomination to the Board of Directors and considering incumbent directors for nomination and re-election.

In considering and evaluating potential candidates for positions on the CSB Board of Directors, and consistent with its Charter, the Nominating Committee considers, among other things, the potential candidates' knowledge of the communities in which CSB and the Bank operate; their experience and any special business, financial, or other expertise; their reputation for honesty and integrity; and their ability to provide independent and objective oversight and supervision for matters which may impact CSB and the Bank. The Nominating Committee also considers applicable requirements of the CSB Code of Regulations and requirements of applicable law and regulations with respect to evaluating potential candidates, as well as other matters which the Nominating Committee deems appropriate in light of the specific circumstances and the potential candidate. To that end, the Nominating Committee may conduct



3 All Other Compensation includes Mr. Robb participating in a grandfathered health benefits program. Mr. Robb ended his participation in the health benefits program effective September 30, 2009. The Bank also provides a 1% reduction of the standard interest rate charged on certain consumer and primary residence mortgage loans to all directors, officers and employees during the period of service to CSB or the Bank.

its own analysis and may also seek information from a variety of outside sources in order to ascertain whether a potential candidate meets the referenced criteria.

The Nominating Committee utilizes the same standards and criteria in considering and evaluating potential candidates for positions on the CSB Board of Directors who are recommended by CSB shareholders, when appropriate. The Nominating Committee currently does not have a diversity statement within its Charter. The members of the Nominating Committee are independent, as defined by rules adopted by the National Association of Securities Dealers, Inc., through its subsidiary The Nasdaq Stock Market, Inc. (NASDAQ). The Nominating Committee operates under a written charter, which is reviewed annually by the Committee and the Board and is available on the Company's website at [www.csb1.com](http://www.csb1.com)

The Compensation Committee was appointed to establish policies and levels of appropriate compensation for directors, officers and employees of CSB. The Compensation Committee currently consists of Robert K. Baker, Ronald E. Holtman, and J. Thomas Lang. The members are considered independent for purposes of the NASDAQ listing requirements. The Compensation Committee operates under a written charter, which is reviewed annually by the Committee and the Board and is available on the Company's website at [www.csb1.com](http://www.csb1.com). Additional discussion of the Compensation Committee's role is set forth in the Compensation Discussion and Analysis section of this Proxy Statement.

The Audit Committee assists the Board of Directors in fulfilling its responsibility to oversee the accounting and financial reporting processes of the Company. The Audit Committee members are Ronald E. Holtman, Robert K. Baker, and Jeffery A. Robb, Sr. All of the members of the Audit Committee are independent directors, as defined by the NASDAQ listing standards. Among other things, the Audit Committee is responsible for the engagement of independent auditors, reviewing with the independent auditors the plans and results of the audit, and reviewing the adequacy of internal accounting controls. The Board of Directors has determined that Messrs. Baker and Robb meet the requirements of an audit committee financial expert as defined by the Securities and Exchange Commission. Mr. Baker acquired these attributes through education and his experience as a certified public accountant and as a Controller within private industry. Mr. Robb acquired these attributes through education and his experience in the banking industry and as a certified public accountant. The Audit Committee operates under a written charter, which is reviewed annually by the Committee and the Board and is available on the Company's website at [www.csb1.com](http://www.csb1.com). The charter is incorporated herein by reference.

The Executive Committee meets throughout the year to monitor the lending activities of the Bank and help ensure that such activities are conducted in a manner consistent with CSB's credit policy. As credit risk represents the major risk component within the Bank, the Executive Committee oversees management's implementation and enforcement of CSB's risk management framework. The Executive Committee consists of J. Thomas Lang, Daniel J. Miller, Jeffery A. Robb, Sr., Eddie L. Steiner, Rick L. Ginther, and John R. Waltman.

## **COMPENSATION DISCUSSION AND ANALYSIS**

The following discusses the material factors involved in the Company's decisions regarding the compensation of the Named Executive Officers (the NEOs) as defined on page 17 during 2009.

The specific amounts paid or payable to the NEOs are disclosed in the tables and narrative beginning on page 17. The following discussion cross-references those specific tabular and narrative disclosures where appropriate.

### **Compensation Overview**

#### **Compensation Philosophy and Objectives**

We believe that, in order to manage and grow a well-run financial services organization, it is necessary to establish compensation programs and related opportunities that are attractive, motivating and rewarding to high quality executives, managers and staff. These programs and opportunities must be balanced with their cost to CSB and its shareholders. In order to arrive at the appropriate balance, CSB has established the following compensation philosophy and guidelines for its overall compensation program:

1. In order to attract and retain highly qualified management, we strive to provide target base salaries close to the mean of the market rate paid for comparable positions by similarly sized bank holding companies.
2. Where practical, we establish performance-based compensation focused on individual results, team results, and contributions to CSB's overall performance.
3. We attempt to link and align the wealth creation interests of management and shareholders by utilizing CSB stock awards or options as a component of the compensation program.

#### **Components of Executive Compensation**

Total compensation for executives is comprised of base salaries, annual cash incentive awards, long-term equity awards, retirement saving plan contributions, severance protection, and other benefits and perquisites. To determine compensation levels for the NEOs and other officers, we review compensation survey data from independent sources to ensure that our total compensation program is competitive. We look at compensation data from companies in the financial services industry by using publicly available peer company disclosures. We target overall compensation levels competitive with our industry comparison peer group. The various components of executive compensation reflect the following policies:

##### **Base Salary**

The purpose of the base salary program is to pay for the qualifications, experience, and marketability of the position consistent with market practices. A pay range for each position is anchored around the mean of the labor market. Individual pay within the range is determined by individual performance, job proficiency and contributions over a period of years.

Pay adjustments are tied directly to CSB's performance appraisal process, which evaluates the employee on a series of performance criteria. This process is used for all CSB employees including the NEOs. Pay adjustments are typically made annually. In addition to these performance-based base pay adjustments, it is periodically necessary to make additional market adjustments in those instances where market base salary levels move faster than anticipated or where additional duties and responsibilities are added to the job.

For 2009, the base salary levels for all CSB NEOs are at or below the median of base salaries of peers in other similar-sized financial organizations. In 2009, an overall budget of 2.0% for base salary increases was established and base pay increases ranging from 0% to 1.86% were provided to the NEOs.

The amount of an NEO's base salary is the reference point for much of the other compensation. For example, the relative ranges of potential annual incentive awards for executives are fairly proportionate to the NEO's respective base salaries. In addition, base salary is one component of the contribution formula under the Company's 401(k) and profit sharing plan and the key component in the Company's severance and change in control agreements.

#### **Annual Incentive**

The purpose of the annual incentive program is to focus executives on achieving and possibly exceeding the Company's annual performance objectives. In 2009, the performance expectations were established around performance to current year budget, the attainment of specific performance ratios, and satisfactory compliance with regulatory and audit reviews.

Each component of the annual incentive program has a separate measurement. The Compensation Committee retains the flexibility to make discretionary adjustments up or down based on performance that may be subjective. This discretion is not used to change the targets under the plan, only the rewards.

The target annual incentive opportunity during the past fiscal year was 30% of actual base salary for each NEO. For 2009, the Company's target budget was \$3.7 million, target return on assets (ROA) was 0.89%, target return on equity (ROE) was greater than 8% and the target efficiency ratio was less than 69%.

#### **Long-Term Incentive**

The purpose of CSB's long-term incentive plan is to align the interests of the NEOs and other executives with the shareholders by providing them the opportunity to benefit from share price increases in the future through share option grants or awards under the 2002 CSB Bancorp, Inc. Share Equity Incentive Plan.

In 2009, the CSB Compensation Committee took into consideration the market pay practices of CSB peers, the performance of CSB, a general assessment of the contributions of the individual NEOs, the available shares, and the projected grant values in making its recommendations. The Committee also sought input from the Chief Executive Officer on his views of grants for the NEOs.

Finally, the accounting and tax treatment of stock options is different from cash-based payments. For awards under the plan, CSB accrues an expense computed using the Black-Scholes valuation model on the date of grant pro-ratably over the vesting period. A stock option award of 1,000 shares was extended in 2009 at current market value to Ms. Meiler.

#### **Retirement and Other Post-Employment Benefits**

CSB maintains The Commercial & Savings Bank 401(k) Retirement Plan, (the Plan), a qualified 401(k) and profit sharing plan. The Plan provides a 50% match on the first 4% of cash compensation taking into account qualified compensation. There is also a discretionary profit sharing contribution and the amount may vary directly with CSB profits. The Plan provides investment alternatives in the following categories: CSB stock, large, small and mid cap, indexed, growth and bond funds.

**Other Benefits and Perquisites**

While the value of benefits including health and welfare, retirement, disability, and vacation benefits are not required to be reported in the tables that follow, these benefits are important to a comprehensive view of the CSB compensation and benefit program. All CSB employees, including the NEOs are eligible to participate in the same comprehensive benefit program, which is intended to provide financial protection to employees based on health and retirement needs as well as providing for well-deserved time off. CSB also provides a disability program to all employees including NEOs. Because financial services is a relationship-driven business, CSB pays country club dues for Mr. Ginther at a local country club to provide a facility to entertain CSB clients, community leaders and members of the management staff for business purposes. Certain consumer and primary residence mortgage loans granted by the Bank to directors, officers and all employees receive a 1% reduction to the standard loan interest rate during the period of service to CSB or the Bank.

**Termination and Change in Control Terms**

The Company has employment agreements with Messrs. Ginther and Greig and Ms. Meiler. The employment agreements provide both CSB and the executives a mutual understanding of performance expectations, pay, opportunities and employment terms. The employment agreements discuss how disability and voluntary and involuntary terminations are handled. In addition, the employment agreements provide for severance payments in the event of employment termination following a change in control of the Company. The purpose of the change in control severance policy is to help participants seek to maximize the value of CSB's shares without concern about losing their job. The NEOs covered by these agreements and the maximum cost of these change in control payments at December 31, 2009 for each named executive is as follows:

Mr. Ginther, President and CEO, The Commercial & Savings Bank	\$355,193
Mr. Greig, Senior Vice President and COO/CIO	266,293
Ms. Meiler, Senior Vice President and CFO	258,033

**Compensation Committee Decision-Making Process**

The Compensation Committee is comprised of three non-management Board members whose responsibilities are the establishment of the Company's overall compensation philosophy, the assessment of the design of CSB compensation and benefit programs, the monitoring of external market pay levels and practices, review and approval of incentive award opportunities, actual payments and grants, and review and recommendation for Board of Director approval related to proposed implementation or material changes to pay or benefit programs.

With the participation of the Company's management, including the Company's Chief Executive Officer, the Compensation Committee evaluated a survey of its pay practices for both directors and NEOs. The list of primary peers utilized in 2009 is as follows:

Central Federal Corporation	Fairlawn, Ohio
Cheviot Financial Corp.	Cheviot, Ohio
Commercial Bancshares, Inc.	Upper Sandusky, Ohio
Consumers Bancorp, Inc.	Minerva, Ohio
Cortland Bancorp Inc.	Cortland, Ohio
Croghan Bancshares Inc.	Fremont, Ohio
DCB Financial Corp.	Lewis Center, Ohio
First Franklin Corporation	Cincinnati, Ohio
FFD Financial Corporation	Dover, Ohio
Killbuck Bancshares Inc.	Killbuck, Ohio
LCNB Corporation	Lebanon, Ohio
Middlefield Banc Corp.	Middlefield, Ohio
National Bancshares Corporation	Orrville, Ohio
NB&T Financial Group, Inc.	Wilmington, Ohio
Ohio Legacy Corporation	Wooster, Ohio
Perpetual Federal Savings Bank	Urbana, Ohio
Rurban Financial Corp.	Defiance, Ohio
United Bancorp, Inc.	Martins Ferry, Ohio
United Bancshares, Inc.	Columbus Grove, Ohio
Wayne Savings Bancshares, Inc.	Wooster, Ohio

These financial services firms are all SEC reporting corporations ranging in size from approximately 42% of CSB's asset level to approximately 158% of CSB's asset level and are all located and doing business primarily in Ohio.

**Outside Executive Compensation Consultants**

Neither the Compensation Committee nor management engaged an outside executive compensation consultant in 2009.

**THE COMPENSATION COMMITTEE REPORT**

The Compensation Committee has reviewed and discussed the foregoing Compensation Discussion and Analysis with CSB's management. Based on this review and discussion, the Compensation Committee has recommended to the Board of Directors that the Compensation Discussion and Analysis be included in CSB's proxy statement and Annual Report on Form 10-K.

**THE COMPENSATION COMMITTEE**

**Robert K. Baker, Chairman**

**Ronald E. Holtman**

**J. Thomas Lang**

**Executive Compensation and Other Information**

The following table shows information concerning the annual compensation paid or accrued for services to the Company in all capacities of the Chief Executive Officer, Chief Financial Officer and the other executive officers of the Company (collectively the NEOs) during the last completed year.

**Summary Compensation Table**