

*INDEPENDENCE STANDARDS*

**Consistent with Securities and Exchange Commission requirements for NASDAQ-listed companies, the Board of Directors of Citizens & Northern Corporation uses NASDAQ Standards to determine director independence and complies with NASDAQ Standards for establishment of independent committees as defined in Section 5605 of the NASDAQ Rules. Further, the Board of Directors of Citizens & Northern Corporation ensures that only directors who meet the definition of an “outside director” under Part 363 of the FDIC’s Annual Independent Audit and Reporting Requirements are determined to be independent.**