

Item 1.01 Entry into a Material Definitive Agreement

On March 5, 2010, Citizens & Northern Corporation (the “Corporation”) entered into a Restricted Stock Agreement (the “Agreement”) with Charles H. Updegraff, Jr., the President and Chief Executive Officer of the Corporation, pursuant to which Mr. Updegraff was awarded 9,125 shares of restricted common stock of the Corporation as part of his executive compensation for 2010. The Agreement provides, among other things, that the restrictions on the shares shall lapse upon the earliest to occur of (i) the third anniversary of the date of grant, (ii) Mr. Updegraff’s death or disability or (iii) the occurrence of a change in control of the Corporation. The Agreement also provides that notwithstanding the foregoing, the restrictions on the shares may not lapse prior to the date on which the restricted shares may become transferable without violating the prohibitions set forth in the TARP Rules applicable to TARP Recipients such as the Corporation.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Citizens & Northern Corporation

Date: March 5, 2010

By: /s/ Mark A. Hughes
Mark A. Hughes, Treasurer