Honig Barry C
Form SC 13D/A
November 05, 2010

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
SCHEDULE 13D

Under the Securities Exchange Act of 1934 (Amendment No. 1)*

Entheos Technologies, Inc.
(Name of Issuer)

Common Stock, $0.0001 per share
(Title of Class of Securities)

293820304
(CUSIP Number)

Mr. Barry Honig
4400 Biscayne Blvd.
Suite: 850
Miami, FL 33137
(Name, Address and Telephone Number of Person Authorized to Receive Notices and Communications

October 27, 2010
(Date of Event Which Requires Filing of This Statement)

If the filing person has previously filed a statement on Schedule 13G to report the acquisition that is the subject of this Schedule 13D, and is filing this schedule because of Rule 13d-1(e), Rule 13d-1(f) or Rule 13d-1(g), check the following box.o

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Note: Schedules filed in paper format shall include a signed original and five copies of the schedule, including all exhibits. See Rule 13d-7(b) for other parties to whom copies are to be sent.

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*The remainder of this cover page shall be filled out for a reporting person's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter disclosures provided in a prior cover page.

The information required on the remainder of this cover page shall not be deemed to be "filed" for the purpose of Section 18 of the Securities Exchange Act of 1934 ("Act") or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the Notes).

CUSIP No. 293820304

Names of reporting persons. Barry Honig

Check the appropriate box if a member of a group (see instructions)
(a)
(b) x

SEC use only:

Source of funds (see instructions) PF

Check if disclosure of legal proceedings is required pursuant to Items 2(d) or 2(e):

Citizenship or place of organization: USA

Number of shares beneficially owned by each reporting person with: 6,244,437*

Sole Voting Power: 4,546,500

Shared Voting Power: None

Sole Dispositive Power: 6,244,437*

Shared Dispositive Power.: None

Aggregate Amount Beneficially Owned by Each Reporting Person: 6,244,437*

Check if the Aggregate Amount in Row (11) Excludes Certain Shares (See Instructions)

Percent of Class Represented by Amount in Row (11): 9.9 %

Type of Reporting Person (See Instructions) IN

* Mr. Honig's ownership consists of 4,546,500 shares of common stock (without giving effect to any shares which he may purchase pursuant to the Issuer's Series A Warrants or the Series B Warrants (collectively the "Warrants"); subject to the Maximum Beneficial Ownership Limitation of 9.9%, Mr. Honig is contractually precluded from exercising any of the Warrants if as a result thereof he would beneficially own more than 9.9% of the Issuer's issued and outstanding shares of common stock. Currently Mr. Honig may purchase up to 1,897,937 pursuant to the Warrants. Accordingly, the number of shares he beneficially owns at this time is 6,244,437. The Series A Warrants are exercisable at $0.60 per share and the Series B Warrants are exercisable at $0.75 per share.

Item 1. Security and Issuer

This statement on Schedule 13D (the "Statement") relates to the common stock, $.0001 par value per share (the “Common Stock”), of Entheos Technologies, Inc. a Nevada corporation (the “Issuer”), with its principal executive offices at 430 Park Avenue, Suite 702, New York, New York 10022.

Item 2. Identity and Background

This Schedule 13D is being filed to report Mr. Barry Honig’s beneficial ownership of 6,244,437 shares (the “Issuer’s Shares”) of the Issuer’s common stock. Mr. Honig acquired 3,000,000 shares pursuant to a private placement effected by the Company, and 2,600,000 shares in private transactions with other stockholders of the Issuer. Mr. Honig’s ownership consists of 4,546,500 shares of common stock (without giving effect to any shares which he may purchase pursuant to the Issuers Series A Warrants or the Series B Warrants (collectively the “Warrants”); subject to the Maximum Beneficial Ownership Limitation of 9.9%, Mr. Honig is contractually precluded from exercising any of the Warrants if as a result thereof he would beneficially own more than 9.9% of the Issuer’s issued and outstanding shares of common stock. Currently Mr. Honig may purchase up to 1,897,937 pursuant to the Warrants. Accordingly, the number of shares he beneficially owns at this time is 6,244,437. The Series A Warrants are exercisable at $0.60 per share and the Series B Warrants are exercisable at $0.75 per share.

Mr. Honig is a private investor with an office at 4400 Biscayne Blvd., Suite: 850, Miami, FL 33137.

During the past ten years none of our directors, executive officers, promoters or control persons has been:

- the subject of any bankruptcy petition filed by or against any business of which such person was a general partner or executive officer either at the time of the bankruptcy or within two years prior to that time;

- convicted in a criminal proceeding or is subject to a pending criminal proceeding (excluding traffic violations and other minor offenses);

- subject to any order, judgment, or decree, not subsequently reversed, suspended or vacated, of any court of competent jurisdiction, permanently or temporarily enjoining, barring, suspending or otherwise limiting his involvement in any type of business, securities or banking activities;

- found by a court of competent jurisdiction (in a civil action), the Commission or the Commodity Futures Trading Commission to have violated a federal or state securities or commodities law;

- the subject of any Federal or State judicial or administrative order, judgment, decree, or finding, not subsequently reversed, suspended or vacated, relating to an alleged violation of:

(i) Any Federal or State securities or commodities law or regulation; or

(ii) Any law or regulation respecting financial institutions or insurance companies including, but not limited to, a temporary or permanent injunction, order of disgorgement or restitution, civil money penalty or temporary or permanent cease-and-desist order, or removal or prohibition order; or

(iii) Any law or regulation prohibiting mail or wire fraud or fraud in connection with any business entity.

- any federal or state judicial or administrative proceedings based on violations of federal or state securities, commodities, banking or insurance laws and regulations, or any settlement to such actions (excluding settlements between private parties); and

- any disciplinary sanctions or orders imposed by a stock, commodities or derivatives exchange or other self-regulatory organization.

Item 3. Source and Amount of Funds or Other Consideration

Mr. Honig used personal funds to acquire the Issuer’s Shares.

The aggregate value of the Issuer’s Shares on October 27, 2010 was approximately $0.50 per share or $1,561,109 in the aggregate.

Item 4. Purpose of Transaction

The Issuer’s Shares were acquired by Mr. Honig for investment purposes only and not for the purpose of effecting control of the Issuer. All of the Issuer’s Shares are restricted shares and may not be resold except pursuant to a registration statement filed under the Securities Act of 1933 (the “1933 Act”) or pursuant to an applicable exemption from the registration requirements of the 1933 Act. Three million one hundred thousand (3,100,000) of the Issuer’s Shares are the subject of a resale registration statement declared effective by the Securities and Exchange Commission on February 11, 2010. Subject to market conditions and other factors, the Reporting Persons may purchase additional shares of the Issuer’s common stock, maintain his present ownership of the Issuer’s Shares or, at such time as he may lawfully do so, sell some or all of the Issuer Shares. All information and opinions herein are the sole views of the Reporting Persons as of October 22, 2010.

Item 5. Interest in Securities of the Issuer.

(a) As of the date of the event which required the filing of this Scheduled 13 Mr. Honig held beneficial ownership of 6,244,437 shares of the Issuer’s common stock, of which 4,546,500 consist of shares registered in Mr. Honig’s name and 1,897,937 shares which Mr. Honig may acquire upon exercise of the Warrants. Mr. Honig has sole voting power as to 4,546,500 Issuer Shares.

All ownership percentages are based on 63,075,122 shares outstanding, which is calculated based on the amount of shares outstanding as of August 10, 2010 as reported in the Issuer's Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2010, as filed with the Securities and Exchange Commission on August 13, 2010.

(b) With respect to all of the Issuer Shares that are held by Mr. Honig, Mr. Honig has sole power to vote and dispose or direct the disposition of such shares.

(c) Transactions effected in the Issuer’s common stock that have taken place in the past sixty days are attached as Exhibit A.

(d) Except as described above, no person is known to have the right to receive or the power to direct the receipt of dividends from, or the proceeds from the sale of, the Issuer Shares.

(e) Not Applicable.

Item 6. Contracts, Arrangements, Understandings or Relationships With Respect to Securities of the Issuer.

Mr. Honig initially acquired 3,000,000 units of the Issuer’s securities pursuant to a Subscription Agreement dated as of July 28, 2008, between himself and the issuer dated July 28, 2008. Each unit consisted of one share of the Company’s common stock, one Series A Warrant to purchase a share of common stock at an exercise price $0.60 per share for a period of 18 months from the date of issuance and one Series B Warrant to purchase a share of common stock at an exercise price $0.75 per share for a period of 24 months from the date of issuance. The Issuer has since extended the exercise date of the Warrants to December 31, 2011.

Mr. Honig also acquired 100,000 and 2,500,000 shares directly from two different stockholders of the Issuer pursuant for aggregate consideration of $70,000 and $25,000, respectively.

Other than as described herein, there are no contracts, arrangements, understandings or relationships among the Reporting Persons, or between the Reporting Persons and any other person, with respect to the securities of the Issuer.

Item 7. Material to be Filed as Exhibits.

Exhibit A Transactions Within 60 Days Prior to the Date of This Schedule 13D

Signature

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct:

By:	/s/ Barry Honig	Dated: November 3, 2010
Name:	Barry Honig	

Attention: Intentional misstatements or omissions of fact constitute Federal criminal violations (See 18 U.S.C. 1001).

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Exhibit A
Transactions Within 60 Days Prior to the Date of This Schedule 13D

Date	Transaction Description	Purchase Price	Sale Price
10/22/10	Purchased 2,500,000 shares of Entheos Technologies, Inc. Common Stock	$ 25,000.00	N/A
10/26/10	Sold 1,000,000 shares	$ 500,000.00	$ .50
10/27/10	Sold 53,500 shares	$ 30,250.00	$ .57

known to the Company to be the beneficial owner of more than 5% of the outstanding shares of the Company s common stock as of June 30, 2008.

Name and Address of Beneficial Owner	Amount and Nature of Beneficial Ownership as of June 30, 2008	Percent of Common Shares
Laurie L. McClellan 28 Tepee Drive Minerva, Ohio 44657	431,350(1)	21.25%
James V. Hanna 14269 Lincoln S.E. Minerva, OH 44657	154,750(2)	7.62%

(1) Includes 426,100 shares owned by or jointly with family members or trusts.
(2) Includes 150,900 shares owned by or jointly with family members or trusts.

Security Ownership of Management

The following table shows the beneficial ownership of the Company s common stock as of June 30, 2008 for each director and named executive officers of the Company and for all current directors and named executive officers as a group.

Name of Beneficial Owner	Amount and Nature of Beneficial Ownership	Percent of Common Shares (if 1% or Greater)
John P. Furey	28,864(1)	1.42%
James V. Hanna	154,750(2)	7.62%
David W. Johnson	9,100	
James R. Kiko, Sr.	8,085(3)	
Thomas M. Kishman	11,801(4)	
Ralph J. Lober, II	4,389(5)	
Laurie L. McClellan	431,350(6)	21.25%
Steven L. Muckley	17,625	
Harry W. Schmuck, Jr.	9,122(7)	
John E. Tonti	3,200	
Paul B. Hugenberg, III	239	
Renee K. Wood	1,000(8)	
All directors and named executive officers as a group (12 persons)	679,525	33.48%

(1) Includes 24,464 shares owned by or jointly with family members or trusts.
(2) Includes 150,900 shares owned by or jointly with family members or trusts.
(3) Includes 2,500 shares owned by or jointly with family members or trusts.
(4) Includes 5,801 shares owned by or jointly with family members or trusts.
(5) Includes 4,389 shares owned by or jointly with family members or trusts.
(6) Includes 426,100 shares owned by or jointly with family members or trusts.
(7) Includes 2,700 shares owned by or jointly with family members or trusts.
(8) Includes 1,000 shares owned by or jointly with family members or trusts.

EXECUTIVE COMPENSATION

Compensation Discussion and Analysis

Introduction and Overview

This Compensation Discussion and Analysis discusses the compensation awarded to, earned by, or paid to the named executive officers whose compensation is detailed in this proxy statement. These named executive officers are the chief executive officer, president and chief operating officer, chief financial officer and the chief information officer. The Board of Directors has delegated to the Compensation Committee responsibility for the oversight and administration of compensation of the Company. The committee reviews and recommends company benefit and incentive plans, as well as, reviewing the individual performance of the chief executive officer and executive management.

Compensation Philosophy and Objectives

The objective of the Company s compensation program is to fairly compensate the executive officers in light of their individual performances and their contributions to the performance of the Company, thereby aligning executives incentives with shareholder value creation. The compensation philosophy is designed to reward effort and achievement by the officers and provide them with compensation targeted at market competitive levels. The Company s compensation program includes the following core components: base salary, cash incentive, long-term compensation and certain change of control agreements. The Committee manages all three components on an integrated basis to achieve the following objectives: to attract and retain highly qualified management and to provide shorter-term incentive compensation that varies directly with the Company s financial performance. The Company believes that, by setting and adjusting these elements, it has the flexibility to offer appropriate incentives to its executive officers.

Components of Compensation

Base Salary

Base salary is a major factor in attracting and retaining key personnel and therefore is the primary component of executive officer s compensation. In setting an officer s base salary, the Company considers parameters set by its size and complexity and the salaries offered by peers. The Company does not have a formal policy to target compensation at a specific level of market compensation. Executive compensation packages are currently at or above the 50th percentile of peer banks of comparable size. Some of the resources used to compare the compensation offered by peers were Ohio Bankers League Bank Compensation and Benefits Survey and Crowe Chizek Financial Institutions Survey. The Company s performance as measured by its results compared to previous years is also considered in determining the overall adjustments to executive officers salaries. Specific salaries are adjusted to reflect the contributions of the executive officer to the Company s operations and the accomplishment of its long-term goals. Based on a review of the company s strategic direction, individual career path objectives and succession planning in conjunction with the broad databases and other publicly available information, the Company believes that its executive compensation is in line with its compensation philosophy.

In establishing the Chief Executive Officer s compensation for 2008, the Committee considered the Company s short-term and long-term goals, past compensation practices, comparative peer data and competitive market guidelines for the position. With the restructuring and separation of the Chief Executive Officer / President s position, the Chief Executive Officer s job responsibilities were updated to include an increased emphasis on the expansion of financial services. The Compensation Committee, in conjunction with the Board of Directors, will periodically review compensation of the Chief Executive Officer in relation to performance goals achieved during the 2009 fiscal year.

Incentive Compensation

The Company s quarterly cash incentive compensation was based on the Company s short-term performance as measured by earnings. The quarterly incentive compensation program was effective through December 31, 2007. The quarterly incentive compensation program, contemplated first providing a reasonable return on investment to shareholders and then providing a profit-sharing payment to employees thereafter. A minimum net income target of $450,000 per quarter had to be achieved before an incentive payment would be made. After reaching the minimum net income target, net income was distributed on a profit-sharing basis with 75% allocated to shareholders, 15% allocated to executive officers and 10% allocated to non-executive employees. Reported net income results for the second quarter of fiscal year 2008 were in excess of the targeted level of performance. The Compensation Committee approved an award for each executive officer based on second quarter of fiscal year 2008 corporate performance.

During the third quarter of fiscal year 2008, the Compensation Committee approved a new annual incentive compensation program that went into effect on a pro-rated basis on January 1, 2008 for the second half of the 2008 fiscal year. All participants are eligible to earn incentive compensation based on corporate financial performance, departmental, and individual goals as determined by each participant s manager. All employees, except seasonal and part-time employees working less than an average of 24 hours per week, are eligible to participate in the annual incentive plan. Positions are classified into various levels according to overall responsibilities within the organization and the impact each position has on the organization s overall financial performance.

For the 2008 fiscal year, the Compensation Committee selected return on equity (ROE) as the corporate performance target for the plan. The targeted ROE for the 2008 fiscal year was 9.50%, with a reduced bonus amount available for payment if the Company achieved at least 95.0% of the ROE target, or 9.025% ROE. Reported ROE results for the 2008 fiscal year exceeded 95.0% of the targeted level of financial performance. Based on these ROE results, the total bonus available company wide was $50,000.

The table below shows how each plan component for 2008 is weighted when evaluating each of the named executive officers:

	Corporate Performance	**Individual/ Departmental Goals**
Steven L. Muckley	75.0%	25.0%
Ralph J. Lober, II	75.0%	25.0%
Renee K. Wood	50.0%	50.0%
Paul B. Hugenberg, III	50.0%	50.0%

The total amount of awards for both of these incentive plans for each executive officer is disclosed under the Bonus column of the Summary Compensation Table.

Long-term Compensation

Long-term compensation includes a qualified retirement plan in the form of a 401(k) Plan and a non-qualified Salary Continuation Program. The Company provides safe harbor contributions under the 401(k) Plan, matching up to 100% of the first 4.0% contributed by the employee. The amount contributed on behalf of the executive officers is determined in accordance with the provisions of the plan applicable to all employees. The Salary Continuation Plan is designed to retain executive and senior management personnel. Entrance to the Salary Continuation Plan is limited and is subject to meeting performance criteria, established by the Compensation Committee and approved by the Board of Directors. The Company expects these plans to promote longevity with the Company and discourage turnover among its executive officers and other employees.

The following table sets forth the cash compensation and certain other compensation paid or earned by the Company s Chief Executive Officer, President and Chief Operating Officer, Chief Financial Officer and Chief Information Officer for the fiscal years ended June 30, 2008 and 2007. The individuals listed in this table are sometimes referred to in this proxy statement as the named executive officers.

Change of Control Agreements

The Company recognizes change of control agreements can help it to attract and keep talented executives and can minimize the impact on key executives of a job loss due to a change of control. In the event a transaction that would lead to a change of control is proposed, such agreements can help assure the executives analyze the transaction without undue focus on its effect upon them personally. In addition, if a transaction would occur, change of control agreements can encourage key executives to stay and help accomplish a smooth transition. As a result, the Board believes offering such agreements to certain executives who are important to the Company s operation and would likely lose their jobs as the result of a change of control, is in the best interests of the shareholders of the Company, and it has offered them to selected executive officers of the Company who satisfy this criteria.

Summary Compensation Table

Name and Principal Position	**Year**	**Salary ($)**	**Bonus ($)**	**Stock Awards ($)**	**Option Awards ($)**	**Non-Equity Incentive Plan Compensation ($)**	**Change in Pension Value and Nonqualified Deferred Compensation Earnings ($)**	**All Other Comp. ($) (1)(2)**	**Total ($)**
Steven L. Muckley	2008	$ 186,123	$ 8,537	$	$	$	$ 63,553	$ 18,353	$ 276,566
Chief Executive Officer	2007	164,892					56,980	18,848	240,720
Ralph J. Lober, II	2008	$ 139,542	$ 6,915	$	$	$	$	$ 500	$ 146,957
President and Chief Operating Officer									
Renee K. Wood	2008	$ 90,196	$ 2,735	$	$	$	$	$ 3,661	$ 96,592
Chief Financial Officer and Treasurer	2007	88,188	250					3,543	91,981
Paul B. Hugenberg, III	2008	$ 109,538	$ 3,278	$	$	$	$	$ 4,443	$ 117,259
Chief Information Officer	2007	107,690	250					4,324	112,264

(1) This column includes contributions by the Company for each of the named executive officers to the Consumers National Bank 401(k) Savings and Retirement Plan and Trust.

(2) This column also includes perquisites and personal benefits for Mr. Muckley. Perquisites and personal benefits for Mr. Muckley totaled $11,409 and included payment of health insurance premiums and personal use of a company car. None of the other named executive officers have any perquisites.

DEFINED CONTRIBUTION PLAN

Under the Consumers National Bank 401(k) Savings and Retirement Plan & Trust (401(k) Plan) as in effect during the fiscal year ended June 30, 2008, the Consumers National Bank s Board of Directors has the discretion and authority to determine the amount to be contributed to the 401(k) Plan. The 401(k) Plan is administered by Consumers National Bank. Each participant in the 401(k) Plan has credited to their account a maximum of 4.0% of their annual salary, provided they have voluntarily contributed a like amount. The 401(k) Plan states that each participant shall be fully vested in the 401(k) Plan immediately upon contribution. Benefits under the 401(k) Plan cannot be estimated for the participants because the benefits are based upon future earnings of Consumers National Bank and future compensation of the participants. Part of the funds in the 401(k) Plan is vested in the participants in accordance with the 401(k) Plan. An eligible participant is one who has completed one year of service, works 1,000 hours per year, and has attained the age of 21. At the time of retirement, death, disability or other termination of employment, a participant is eligible to receive a distribution of all vested amounts credited to their account in either a single lump sum payment or a series of substantially equal installment payments over a period not longer than the joint life expectancy of the participant and beneficiary. The trustees of the 401(k) Plan are Steven L. Muckley and Laurie L. McClellan.

SALARY CONTINUATION PROGRAM

In September 1995, the Board of Directors of Consumers National Bank adopted a salary continuation program (Plan) to encourage the long-term retention of Consumers National Bank executives and avoid the cost of executive turnover. Pursuant to the Plan, salary continuation agreements were entered into between Consumers National Bank and certain executives. In 2001, several of the Agreements were amended and restated to reflect changes in the Plan approved by the Board of Directors. In 2008, all of the agreements were amended to comply with Internal Revenue Code Section 409A (Amended Agreements). The Amended Agreements provide such executives (and, in the event of the executive s death, surviving beneficiary) with 180 months of salary continuation payments equal to a certain percentage of an executive s average compensation, as defined within each agreement, using three full calendar years prior to Normal Retirement Age. For purposes of these Amended Agreements, Normal Retirement Age means the executive s 65th birthday. Vesting under the Amended Agreements commences at age 50 and is prorated until age 65. If an executive dies during active service, the executive s beneficiary is entitled to the Normal Retirement Benefit. The executive can become fully vested in the Accrual Balance upon termination of employment following a disability or a change in control of the Bank. For purposes of these Amended Agreements, Accrual Balance means the liability that should be accrued by the Company for the Company s obligation to the executive under the Amended Agreements. For purposes of calculating the Accrual Balance, the discount rate in effect at June 30, 2008 was 6.0%. Mr. Muckley became eligible to participate in the Plan as of August 11, 2004 and entered the plan on March 1, 2005. Mr. Lober became eligible to participate in the Plan as of May 8, 2008 and entered the plan on August 29, 2008.

PENSION BENEFITS

Name	Plan Name	Present Value of Accumulated Benefit ($)	Payments During Last Fiscal Year ($)
Steven L. Muckley	Salary Continuation Program	$ 206,476	$

CHANGE OF CONTROL AGREEMENTS

Change of control agreements (Change of Control Agreements) were entered into with certain executive officers in order to provide severance benefits in the event of their termination of employment following a change of control of Consumers National Bank within five years of the effective date of each agreement.

If within 12 months following a change of control, a termination of employment occurs for any reason other than death, Disability (as defined below), or Cause (as defined below), a participant may receive a lump sum payment based on the agreement schedule in effect at the date of such termination. In addition, the participant shall be entitled to receive Company-paid COBRA premiums, relating to employee s group medical insurance continuation premiums under the Company s group health plan, for a period of 12 months after the date of termination. For purposes of these Change of Control Agreements, a Change of Control means the transfer of shares of the Company s voting common stock during the term such that one entity or one person acquires (or is deemed to acquire when applying Section 318 of the Internal Revenue Code) more than 50 percent of the Company s outstanding voting common stock. The date of the employee s termination shall be the date specified by the Company in a written notice to the employee. The employee shall be considered to have a Disability during the period in which the employee is unable, by reason of a medically determinable physical or mental impairment, to engage in the material and substantial duties of employee s regular employment with the Company, which condition is expected to be permanent. For purposes of these Change of Control Agreements, the term Cause means, in the reasonable judgment of the President of the Company, (i) the willful and continued failure by the employee to substantially perform the employee s duties with the Company after written notification by the Company, (ii) the willful engaging by the employee in conduct which is demonstrably injurious to the Company, monetarily or otherwise, or (iii) the engaging by the employee in egregious misconduct involving serious moral turpitude. For purposes of these Agreements, no act or failure to act on the employee s part shall be deemed willful unless done, or omitted to be done, by the employee not in good faith and without reasonable belief that such action was in the best interest of the Company.

POTENTIAL PAYMENTS UPON TERMINATION OR CHANGE IN CONTROL

As of June 30, 2008, if a change of control had occurred and Mr. Muckley was terminated or if Mr. Muckley had become disabled, then Mr. Muckley would have received a payment of $206,476 under the Salary Continuation Program. If Mr. Muckley was terminated for cause as of June 30, 2008, then Mr. Muckley would not have received a benefit payment under the Salary Continuation Program.

If a change of control had occurred on June 30, 2008 and each named executive officer with a Change of Control Agreement was terminated, then Mr. Lober would have received a termination/severance payment of $120,000 and the cost of COBRA premiums, assuming no increase after that date, would have been $15,289. Mr. Hugenberg would have received a termination/severance payment of $65,563 and the cost of COBRA premiums, assuming no increase after that date, would have been $8,310. Ms. Wood would have received a termination/severance payment of $55,053 and no reimbursement for COBRA premiums.

COMPENSATION COMMITTEE REPORT

The Company s Compensation Committee has reviewed the Compensation Discussion and Analysis and discussed it with Management. Based upon this review and discussion, it has recommended to the Board of Directors that the Compensation Discussion and Analysis be included in the Company s annual report on Form 10-K, proxy or information statement.

Respectfully Submitted,
The Compensation Committee

Mr. Kishman, Chairman
Mr. Furey
Mr. Johnson
Ms. McClellan

COMPENSATION COMMITTEE INTERLOCK

AND INSIDER PARTICIPATION

Ms. Laurie L. McClellan, the Company s Chairman served on the Executive and Compensation Committees during the fiscal year ended June 30, 2008. Ms. McClellan, in serving on the Executive and Compensation Committees, did not participate in discussions or decision-making relative to her own compensation.

SECTION 16(a) BENEFICIAL OWNERSHIP REPORTING COMPLIANCE

Section 16(a) of the Securities Exchange Act of 1934 requires the Company s directors and certain of its officers to file reports with the Securities and Exchange Commission indicating their holdings of, and transactions in, the Company s equity securities. Based solely on a review of the copies of such reports it received, and written representations from reporting persons, the Company believes that during the fiscal year ended June 30, 2008, its reporting persons complied with all Section 16(a) filing requirements, except one late Form 4 filing for Ms. Gross.

CERTAIN TRANSACTIONS AND RELATIONSHIPS

Directors and executive officers of Consumers Bancorp and Consumers National Bank and their associates were customers of, or had transactions with, Consumers Bancorp or Consumers National Bank in the ordinary course of business during fiscal year ended June 30, 2008. Transactions with these persons are expected to continue to take place in the future. In the ordinary course of business, loans are made to officers and directors on substantially the same terms as those prevailing at the same time for comparable transactions with unrelated third parties. Such loans do not, and will not, involve more than the normal risk of collectability or present other unfavorable features.

Mr. Kiko, a director, is a real estate auctioneer and, in the ordinary course of business, the Company has retained the services of Kiko Auctioneers to liquidate property and may continue to retain their services in the future.

Consumers National Bank is party to an operating lease agreement for the Malvern Branch location with Furey Holdings, LLC. Mr. Furey is the managing member of Furey Holdings, LLC. This leasing arrangement and the terms of the lease were unanimously approved by directors without an interest in the transaction.

The SEC rules require disclosure of any family relationship among directors and executive officers. Mr. Kiko, director, is first cousin to Janice E. Kishman, spouse of director, Mr. Kishman.

Mr. Johnson is President of Summitville Tiles, Inc., which filed for Chapter 11 bankruptcy protection in December 2003. Summitville Tiles, Inc. filed a formal Plan of Reorganization on August 6, 2004 and emerged from Chapter 11 on December 12, 2004.

AUDIT COMMITTEE REPORT

Consumers Bancorp s Audit Committee has reviewed and discussed with management the audited financial statements for the fiscal year ended June 30, 2008. In addition, the Audit Committee has discussed with Crowe Chizek and Company LLC, the independent registered public accounting firm for Consumers Bancorp, the matters required by Statements on Auditing Standards No. 61, *Communications with Audit Committees*, as amended, and Rule 2-07, *Communication with Audit Committees*, of Regulation S-X.

The Audit Committee has received written disclosures from Crowe Chizek and Company LLC required by Independence Standards Board Standard No. 1. The Audit Committee has discussed with Crowe Chizek and Company LLC its independence from Consumers Bancorp.

Based on the foregoing discussions and reviews, the Audit Committee has recommended to Consumers Bancorp s Board of Directors that the audited financial statements be included in Consumers Bancorp s Annual Report on Form 10-K for the fiscal year ended June 30, 2008 for filing with the Securities and Exchange Commission.

Respectfully Submitted,
The Audit Committee

Mr. Tonti, Chairman
Mr. Furey
Mr. Kiko
Mr. Kishman

Independent Registered Public Accounting Firm

Crowe Chizek and Company LLC audited the consolidated financial statements for the year ended June 30, 2008. Representatives of Crowe Chizek and Company LLC will attend the Annual Meeting and will have an opportunity to make a statement if they so desire and to respond to appropriate questions.

Principal Accountant Fees and Services

The Audit Committee has sole responsibility, in consultation with management, for approving the terms and fees for the engagement of the independent auditors for audits of the Company s financial statements. In addition, the Audit Committee has sole responsibility for determining whether and under what circumstances the Company s independent auditors may be engaged to perform audit-related services and must pre-approve 100% of any non-audit related service performed by the independent auditors.

Crowe Chizek and Company LLC billed the Company $74,824 and $78,795 for the fiscal years ended June 30, 2008 and June 30, 2007, respectively. The table below sets forth the aggregate fees billed by Crowe Chizek and Company LLC for services rendered to the Company and its affiliates for the fiscal years 2008 and 2007.

	Audit Fees	Audit-Related Fees	Tax Fees	All Other Services
2008	$ 67,600	$	$ 6,950	$ 274
2007	$ 71,500	$	$ 6,950	$ 345

The Tax Fees for 2008 and 2007 related principally to filing, compliance and tax strategy planning. The All Other Services for 2008 and 2007 related principally to the purchase of miscellaneous bank performance data.

The Audit Committee has reviewed all non-audit services described above and has concluded that the provision of these non-audit services is compatible with maintaining Crowe Chizek and Company LLC s independence.

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SHAREHOLDER PROPOSALS FOR 2009 ANNUAL MEETING

Any shareholder who intends to present a proposal at the 2009 Annual Meeting of Shareholders and who wishes to have the proposal included in Consumers Bancorp s proxy statement and form of proxy for that meeting must deliver the proposal to Consumers Bancorp at its executive offices, 614 East Lincoln Way, Minerva, OH 44657, not later than May 15, 2009.

Any shareholder who intends to present a proposal, other than as set forth above, at the 2009 Annual Meeting of Shareholders other than for inclusion in Consumers Bancorp s proxy statement and form of proxy must deliver the proposal to Consumers Bancorp at its executive offices, 614 East Lincoln Way, Minerva, OH 44657, not later than July 31, 2009 or such proposal will be untimely. Consumers Bancorp reserves the right to exercise discretionary voting authority on the proposal if a shareholder has failed to submit the proposal by July 31, 2009.

SHAREHOLDER COMMUNICATIONS

Any shareholder may send communications to the Board of Directors through the Company s Corporate Secretary, Consumers Bancorp, Inc., 614 East Lincoln Way, P.O. Box 256, Minerva, Ohio 44657. Communications sent by qualified shareholders for proper, non-commercial purposes will be transmitted to the Board of Directors, or the appropriate committee, as soon as practicable. Shareholders may also send communications to the presiding non-management director of the Board by sending correspondence to Audit Chairman, Consumers Bancorp, Inc., 614 East Lincoln Way, P.O. Box 256, Minerva, Ohio 44657.

FORM 10-K ANNUAL REPORT

The Form 10-K Annual Report for the fiscal year ended June 30, 2008 has been mailed concurrently with this Proxy Statement to shareholders of record. The Form 10-K Annual Report does not constitute a part of the proxy material. Shareholders may request a copy of any of the Company s filings at no cost by writing or e-mailing the Company at the following address or e-mail address: Consumers Bancorp, Inc., Attn: Theresa J. Linder, 614 East Lincoln Way, Minerva, Ohio 44657 or e-mail to *shareholderrelations@consumersbank.com*.

OTHER BUSINESS

The Board of Directors is not aware of any business to be addressed at the meeting other than those matters described above in this Proxy Statement. However, if any other matters should properly come before the meeting, it is intended that the common shares represented by proxies will be voted with respect thereto in accordance with the judgment of the person or persons voting the proxies.

CUMULATIVE VOTING

Under the General Corporation Law of Ohio, if a shareholder desires cumulative voting for election of the directors, then the shareholder must provide written notice to the President or the Secretary of Consumers Bancorp not less than 48 hours before the time fixed for holding the Annual Meeting. Upon announcement of this notice at the Annual Meeting, each shareholder will have cumulative voting rights. Cumulative voting means that each shareholder may cast as many votes in the election of directors as the number of directors to be elected multiplied by the number of shares held. The votes may be cast for one nominee or distributed among as many nominees as the shareholder desires.

At this time it is not known whether there will be cumulative voting for the election of directors at the meeting. If the election of directors is by cumulative voting, the persons appointed by the accompanying proxy intend to cumulate the votes represented by the proxies they receive and distribute such votes in accordance with their best judgment.

By Order of the Board of Directors

Laurie L. McClellan
Chairman

Minerva, Ohio

September 15, 2008

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PLEASE MARK VOTES

X

AS IN THIS EXAMPLE

PROXY FOR ANNUAL MEETING

OF SHAREHOLDERS

OCTOBER 15, 2008

This Proxy is solicited on behalf of the Board of Directors.

The undersigned shareholder of Consumers Bancorp, Inc., 614 East Lincoln Way, Minerva, Ohio, hereby appoints Theresa Linder and Cipriano Beredo, or either of them (each with full power to act alone), as attorneys and proxies for the undersigned, with full power of substitution, to vote all common shares of Consumers Bancorp, Inc. that the undersigned is entitled to vote at the Annual Meeting of Shareholders to be held on Wednesday, October 15, 2008, at 9:00 A.M. (local time), or at any and all adjournments thereof, with all the powers the undersigned would possess if personally present, such proxies being directed to vote as specified hereon:

Unless otherwise indicated, the proxies will vote **FOR** the Proposal

Please be sure to date and sign this proxy card in the box below.

Date

Sign above

REVOCABLE PROXY

CONSUMERS BANCORP, INC.

	For	With-hold	For All Except
Proposal One: To elect the following nominees to the Board of Directors as Class II directors to serve a three-year term until the Annual Meeting of Shareholders in 2011:	..	..	..

Class II Directors:
David W. Johnson
Ralph J. Lober, II
Laurie L. McClellan

Harry W. Schmuck, Jr.

INSTRUCTION: To withhold authority to vote for any individual nominee, mark For All Except and write that nominee s name in the space provided below.

Proposal Two: For the transaction of any other business that may properly come before the meeting or any adjournment thereof.

Other Business:

In their discretion, the proxies are authorized to vote upon such other business that may properly come before the meeting or any and all adjournments thereof.

Mark here if you have an interest in obtaining future Consumers Bancorp, Inc. annual reports and proxy statements electronically in lieu of mail delivery. ..

Note: The signature(s) on this proxy should correspond with the name(s) in which your shares are registered. When shares are registered jointly in the names of two or more persons, all should sign. When signing as an attorney, executor, administrator, trustee or guardian, please give your full title as such. A proxy given by a corporation should be signed in the corporate name by the Chairman of its Board of Directors, its President, Vice President, Secretary or Treasurer.

¿ Detach above card, sign, date and mail in postage paid envelope provided. ¿

CONSUMERS BANCORP, INC.

614 East Lincoln Way

P.O. Box 256

Minerva, Ohio 44657

PLEASE ACT PROMPTLY

PLEASE COMPLETE, DATE, SIGN, AND MAIL THIS PROXY CARD PROMPTLY IN THE ENCLOSED POSTAGE-PAID ENVELOPE.

IF YOUR ADDRESS HAS CHANGED, PLEASE CORRECT THE ADDRESS IN THE SPACE PROVIDED BELOW AND RETURN THIS PORTION WITH THE PROXY IN THE ENVELOPE PROVIDED.