

CLIFTON SAVINGS BANCORP, INC.

AUDIT/COMPLIANCE COMMITTEE CHARTER

This Charter specifies:

- the oversight role of the Audit/Compliance Committee (the “Committee”) in assisting the Board of Directors (the “Board”) of Clifton Savings Bancorp, Inc. and its consolidated subsidiaries (the “Company”) in monitoring the internal and external financial reporting of the Company;
- the membership of the Committee;
- the selection of the Independent Registered Public Accounting Firm by the Committee;
- the responsibilities of the Committee;
- the meetings of the Committee and
- the minutes and records of the Committee.

A. Oversight Function

The primary function of the Committee of the Board of the Company is to review:

1. the integrity of the financial reports and other financial information provided by the Company to any governmental body or the public, including any certification, report, opinion or review performed by the Company’s Independent Registered Public Accounting Firm;
2. the Company’s compliance with legal and regulatory requirements;
3. the Independent Registered Public Accounting Firm’s qualifications and independence;
4. the performance of the Company’s internal audit functions, its Independent Registered Public Accounting Firm and system of internal controls and disclosure procedures regarding finance, accounting, legal compliance and ethics that management and the Board have established;
5. the Company’s auditing, accounting and financial reporting processes and

6. the preparation of information required by the Securities and Exchange Commission rules to be included in the Company's annual proxy statement.

B. Membership

The Committee will be comprised of three or more directors as determined by the Board, each of whom shall satisfy the definition of independent director as defined in any qualitative listing requirements for NASDAQ Global Market issuers and any applicable Securities and Exchange Commission rules and regulations. All members of the Committee must be financially literate at the time of appointment, or within a reasonable period of time thereafter, meaning they must have the ability to read and understand fundamental financial statements, including the Company's balance sheet, income statement and cash flow statement. In addition, at least one member of the Committee shall have past employment in finance or accounting, requisite professional certification in accounting or any other comparable experience or background which results in the individual's financial sophistication, including having been a chief executive officer, chief financial officer or other senior officer with oversight responsibilities. The members of the Committee will be elected by the Board on an annual basis.

C. Selection of Independent Registered Public Accounting Firm

The Committee shall select the Independent Registered Public Accounting Firm, considering its independence and effectiveness, and be ultimately responsible for its compensation and oversight (including resolution of disagreements between management and the Independent Registered Public Accounting Firm regarding financial reporting) for the purpose of preparing or issuing an audit report or related work, and each such Independent Registered Public Accounting Firm shall report directly to the Committee. The Committee should confirm the independence of the Independent Registered Public Accounting Firm by requiring it to disclose in writing all relationships that in the professional judgment may reasonably bear on the ability to perform the audit independently and objectively.

D. Responsibilities of Committee

In carrying out its responsibilities, the Committee believes its policies and procedures should remain flexible in order to best react to changing conditions and to ensure to the directors and stockholders that the corporate accounting and reporting practices of the Company are in accordance with all requirements and are of the highest quality. To fulfill its responsibilities and duties the Committee shall:

1. adhere to hiring policies regarding employees and former employees of the Independent Registered Public Accounting Firm;
2. approve, in advance, all permissible non-audit services to be completed by the

Independent Registered Public Accounting Firm; such approval process will ensure that the Independent Registered Public Accounting Firm does not provide any non-audit services to the Company that are prohibited by law or regulation;

3. disclose in each annual proxy statement to its stockholders whether it satisfied the responsibilities during the prior year in compliance with the Charter;
4. generally discuss earnings press releases and financial information as well as earnings guidance provided to analysts and rating agencies;
5. examine this Charter on an annual basis to assure that it remains adequate to address the responsibilities of the Committee;
6. have in place procedures for (a) receiving complaints regarding accounting, internal accounting controls or auditing matters and (b) the confidential, anonymous submission by employees of concerns regarding questionable accounting;
7. retain independent counsel and other advisors as it deems necessary to carry out its duties and to assist it in the conduct of any investigation; in connection therewith, the Committee shall be provided appropriate funding as determined by the Committee for payment to accountants and advisors;
8. review recommendations from the Independent Registered Public Accounting Firm and internal auditors regarding internal controls and other matters relating to the accounting policies and procedures of the Company;
9. review the Company's audited annual financial statements and the Independent Registered Public Accounting Firm's opinion regarding such financial statements, including a review of the nature and extent of any significant changes in accounting principles;
10. review the performance of the Independent Registered Public Accounting Firm; and
11. review the activities, organizational structure and qualifications of the internal auditors and also review and concur in the appointment, replacement or dismissal of the current internal auditors; and
12. The Committee shall review periodically, but no less frequently than quarterly, a summary of the Company's transactions with directors and executive officers of the Company and with firms that employ directors, as well as any other related person transactions, for the purpose of recommending to the disinterested members of the Board of Directors that the transactions are fair, reasonable and within Company policy and should be ratified and approved.

“Related person” and “transaction” shall have the meanings given to such terms in Securities and Exchange Commission Regulation S-K, Item 404, as amended from time to time.

E. Meetings

The Committee shall:

1. arrange for a representative of the Independent Registered Public Accounting Firm to be available to the full Board at least annually to discuss the results of the annual audit and the audited financial statements that are a part of the annual report to stockholders;
2. ensure that the Independent Registered Public Accounting Firm discusses with the Committee its judgments about the quality, not just the acceptability, of the Company’s accounting principles as applied in the financial reports; the discussion should include such issues as the clarity of the Company’s financial disclosures and degree of aggressiveness or conservatism of the Company’s accounting principles and underlying estimates and other significant decisions made by management in preparing the financial disclosures;
3. meet four times per year or more frequently as circumstances may require; a quorum of the Committee shall be declared when a majority of the appointed members of the Committee are in attendance;
4. meet with a representative of the Independent Registered Public Accounting Firm and management at least quarterly to review the Company’s financial statements; in meetings attended by the Independent Registered Public Accounting Firm or by regulatory examiners, a portion of the meeting will be reserved for the Committee to meet in closed session with these parties;
5. provide an open avenue of communication between management, the Independent Registered Public Accounting Firm, internal auditors and the Board;
6. review with the Independent Registered Public Accounting Firm and internal auditors the work to be performed by each to assure completeness of coverage, reduction of redundant efforts and the effective use of audit resources;
7. review all significant risks or exposures to the Company found during audits performed by the Independent Registered Public Accounting Firm and internal auditors and ensure that these items are discussed with management; from these discussions, assess and report to the Board regarding how the

findings should be addressed;

8. review with management, the Independent Registered Public Accounting Firm, the internal auditors and legal counsel all legal and regulatory matters that may have a material impact on the financial statements and
9. review with management and the Independent Registered Public Accounting Firm all interim financial reports filed pursuant to the Securities Exchange Act of 1934.

F. Minutes and Records

Written minutes shall be maintained for all Committee meetings. The Chairperson shall ensure that accurate and complete minutes of each meeting are prepared, distributed and approved by each Committee member.

Ammended: April 28, 2010