
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

**SCHEDULE 14A INFORMATION
Proxy Statement Pursuant to Section 14(a) of the Securities
Exchange Act of 1934 (Amendment No.)**

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

CECIL 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)(4) and 0-11.

1. Title of each class of securities to which transaction applies:

2. Aggregate number of securities to which transaction applies:

3. Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (Set forth the amount on which the filing fee is calculated and state how it was determined):

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2. Form, Schedule or Registration Statement No.:

3. Filing Party:

4. Date Filed:



CECIL BANCORP, INC.

127 North Street
Elkton, Maryland 21921-5547
April 8, 2008

Dear Fellow Shareholder:

We invite you to attend our 2008 Annual Meeting of Shareholders to be held at Cecil Bank Corporate Center, 118 North Street, Elkton, Maryland, on Tuesday, May 13, 2008 at 9:00 a.m., Eastern Time.

At our Annual Meeting, we will discuss highlights of the past year. The 2007 results are presented in detail in the enclosed Annual Report.

The Annual Meeting has been called for:

- Election of two directors; and
- Consideration of any other matters as may properly come before the Annual Meeting or any adjournments.

Directors and officers, as well as representatives of Stegman & Company, Cecil Bancorp's independent registered public accounting firm, will be present to respond to any questions the shareholders may have.

Your Board of Directors recommends that you vote **"FOR"** the election of directors. **Your vote is important.** Please complete the proxy card and return it in the enclosed, postage-paid envelope. Thank you for investing in Cecil Bancorp.

Sincerely,

Mary B. Halsey
President and Chief Executive Officer

CECIL BANCORP, INC.
127 North Street
Elkton, Maryland 21921-5547

NOTICE OF ANNUAL MEETING
May 13, 2008

The Annual Meeting of Shareholders of Cecil Bancorp, Inc. will be held at Cecil Bank Corporate Center, 118 North Street, Elkton, Maryland, on Tuesday, May 13, 2008 at 9:00 a.m., Eastern Time.

The Annual Meeting is for the purpose of considering and acting upon:

- Election of two directors; and
- Consideration of any other matters as may properly come before the Annual Meeting or any adjournments.

Your Board of Directors recommends a vote “FOR” the election of the two directors nominated. The Board is not aware of any other business to come before the Annual Meeting.

Only shareholders of record at the close of business on March 25, 2008 will be entitled to vote at the Annual Meeting and any adjournments or postponements. A Proxy Card and a Proxy Statement for the Annual Meeting are enclosed. Whether or not you attend the meeting in person, it is important that your shares be represented and voted. Please vote by completing, signing and dating your proxy card, and returning it as soon as possible in the enclosed, postage-paid envelope. You may change your proxy later or vote in person at the meeting, if you wish.

The proxy statement, voting instruction card, and Cecil Bancorp’s 2007 Annual Report on Form 10-K are being distributed on or about April 8, 2008.

BY ORDER OF THE BOARD OF DIRECTORS

Sandra D. Feltman
SECRETARY

Elkton, Maryland
April 8, 2008

**PROXY STATEMENT
QUESTIONS AND ANSWERS**

Q: What am I voting on?

A: You are voting on:

Proposal I—Election of the following directors: Mark W. Saunders and Brian L. Lockhart (See page 2.);

Q: Who is entitled to vote at the Annual Meeting?

A: Shareholders of Cecil's common stock as of the close of business on March 25, 2008 (the Record Date) are entitled to vote at the meeting.

Q: How do I vote?

A: You may vote by completing, signing, and dating the proxy card, and returning it in the enclosed, postage-paid envelope. If you return your signed proxy card but do not indicate your voting preference, your card will be voted in favor of the election of all directors. You have the right to revoke your proxy any time before the Annual Meeting, and shareholders who attend the meeting may withdraw their proxies and vote in person if they wish.

Q: Is my vote confidential?

A: Yes, only the inspectors of election and a limited number of employees and transfer agent personnel associated with processing the votes will know how you cast your vote.

Q: Who will count the votes?

A: Registrar and Transfer Company, Cecil Bancorp's transfer agent, will tabulate the votes.

Q: What should I do if I receive more than one proxy card?

A: If you receive more than one proxy card, it indicates that you own shares in more than one account, or your shares are registered in various names. You should vote all proxy cards you receive by completing, signing, dating, and returning each proxy card in the enclosed, postage-paid envelope.

Q: What constitutes a quorum at the Annual Meeting?

A: On the Record Date, there were 3,678,286 shares of Cecil Bancorp common stock issued and outstanding. Each share is entitled to one vote on all matters voted on at the Annual Meeting. A majority of the outstanding shares, present or represented by proxy, will be a quorum for the Annual Meeting. If you submit a properly executed proxy card, you will be considered part of the quorum. Abstentions and shares held for you by your broker or nominee (broker shares) that are voted on any matter are included in the quorum. Broker shares that are not voted on any matter are not included in the quorum and are not included in determining the number of votes cast.

Q: Who may attend the Annual Meeting?

A: All shareholders as of the Record Date may attend, although seating is limited.

Q: What percentage of Cecil Bancorp stock did directors and executive officers own on the Record Date?

A: Together, they beneficially owned approximately 50.67% of Cecil Bancorp's issued and outstanding common stock.

Q: Who pays for this proxy solicitation and how will solicitation occur?

A: Cecil Bancorp's Board of Directors is soliciting this proxy, and Cecil Bancorp will pay the cost of the solicitation. In addition to the use of the mail, employees of Cecil Bancorp and its subsidiaries may solicit proxies personally or by telephone, fax, or electronic mail, without additional compensation. Banks, brokerage houses and other nominees and fiduciaries are requested to forward the proxy material to beneficial owners of Cecil Bancorp stock and to obtain authorization to execute proxies on behalf of the beneficial owners. Upon request, Cecil Bancorp will reimburse these parties for their reasonable expenses in forwarding proxy material to beneficial owners.

PROPOSAL I—ELECTION OF DIRECTORS

Your Board of Directors is currently composed of six members. Five of Cecil Bancorp's directors also serve as directors of its bank subsidiary, Cecil Bank. Directors of Cecil are divided into three classes and are elected for terms of three years and until their successors are elected and qualified. At the Annual Meeting, two directors will be elected for terms expiring at the 2011 Annual Meeting.

The Board of Directors has nominated for election Mark W. Saunders and Brian L. Lockhart, each of whom is currently a director, for a term of three years, and until his successor is elected and qualified. Each nominee must be elected by a plurality of shares voted in this election. The individuals named as proxies on your proxy card will vote for the election of each nominee unless you withhold authorization.

Each nominee has agreed to serve his or her term, if elected. If any nominee is unable to stand for re-election at this Annual Meeting, the Board may reduce its size or nominate an alternate candidate, and the proxies will be voted for the alternate candidate.

Your Board recommends a vote FOR these directors.

Information regarding Cecil Bancorp's directors follows. Director's service is based upon the year in which he or she first became a director of Cecil Bancorp, Cecil Bank or Columbian Bank, a Federal Savings Bank ("Columbian"). Columbian was acquired by Cecil Bancorp in 1998, and merged into Cecil Bank in May 2001.

DIRECTOR NOMINEES

Mark W. Saunders

Director Since 2005

Mr. Saunders, age 33 and Vice Chairman of the Board, is the General Manager and an Officer of Bay Ace Hardware, Inc. located in Elkton and Rising Sun, Maryland. Mr. Saunders is a member of the Trade Foundation of Cecil County School of Technology. Mr. Saunders is currently attending the Maryland Bankers Association Maryland Bankers School. He is Mr. Sposato's nephew.

Brian L. Lockhart

Director Since 2008

Mr. Lockhart, age 43, is the owner of Monterey Refuse Service, Inc. located in Nottingham, Pennsylvania. Mr. Lockhart was employed with Waste Management for 16 years in its Sales Department before joining the Bank in 2002 as Vice President and Business Development Officer. He was appointed by the Board to serve as a Director of the Company and Cecil Bank effective February 19, 2008. A lifelong Cecil County resident, Mr. Lockhart currently serves as County Commissioner of the 3rd District of Cecil County, is a past president of the Rising Sun Business Association, a member of the Union Hospital's Health Services Board of Directors, a member of Mount Aviat Board of Directors, a member of Good Shepherd Parish, and Member/Owner of Chesapeake Bay Golf Course.

DIRECTORS CONTINUING IN OFFICE

Term Expiring in 2009

Mary B. Halsey

Director Since 1995

Ms. Halsey, age 46, became President and Chief Executive Officer of the Company and Cecil Bank in July 1995. Ms. Halsey joined Cecil Bank in 1980 and has been employed in various capacities since that time, including the positions of Chief Operating Officer and Principal Financial and Accounting Officer, which she held from 1993 until becoming President and Chief Executive Officer in 1995. Ms. Halsey is a director and officer of the Southeastern Conference of Community Bankers, Inc., currently holding the position of Past President. Ms. Halsey is a director of the Maryland Business Council. She is an appointed member of the Maryland Transportation Authority Board. Ms. Halsey is a past director of the Maryland Bankers Association, and formerly served as Chairman of the Consumer Education Council. Ms. Halsey previously served as Trustee of Mt. Aviat Academy, Secretary of the Northern Chesapeake Hospice Foundation. She is a member of Church of the Good Shepherd Parish. She has previously served as Vice President and Director of the North East Chamber of Commerce, as Director of the Union Hospital of Cecil County Health System, Inc., and Director of the YMCA of Cecil County, Maryland.

Thomas L. Vaughan, Sr.**Director Since 2003**

Mr. Vaughan, age 58, is the past owner and President of Ship Watch Inn, Inc., a bed and breakfast located in Chesapeake City, Maryland. Mr. Vaughan founded Canal Plumbing Company in 1977 and continues to operate it as a plumbing contracting company. Mr. Vaughan is a member of Knight House Farms, L.L.C. and Katem, L.L.C., real estate management companies. Mr. Vaughan previously served on the Chesapeake City Board of Appeals and is a past member of the Chesapeake Historic Commission and a past Council member.

Term Expiring in 2010**Mathew G. Bathon****Director Since 1999**

Mr. Bathon, age 46, is an attorney with the Elkton law firm of Bathon and Bathon, P.A., where he engaged in the full-time practice of law until June 2000. Mr. Bathon's law practice is now limited to trust and estate law and he currently serves as President and General Counsel of Windspeed Capital, LLC ("Capital"), a financial services, private equity and trust administration consulting company located in the Boston, Massachusetts area. In this capacity, Mr. Bathon manages and serves as trustee of numerous trusts and manages Capital's private equity portfolio which includes interests in various privately owned companies and real estate interests. Mr. Bathon is also a managing member of Dorado Holdings, LLC, a manufacturer of custom fishing boats in Ozona, Florida. Mr. Bathon is a former owner of Bentley's Restaurant and Banquet Facilities, has served as an officer and director of Northern Chesapeake Hospice Foundation, and is a former member of B-E Realty, LLC which owns and manages real estate interests in Cecil County. He has also served as a member of the Cecil County Ethics Commission, a director of the Cecil County Chapter of the American Red Cross, the Cecil County FEMA Board, and as a Trustee of Mount Aviat Academy.

Charles F. Sposato**Director Since 1999**

Mr. Sposato, age 54, was elected Chairman of the Board of the Company in August 2000. Mr. Sposato is owner and president of Bay Ace Hardware, Inc. Mr. Sposato is a past recipient of the Who's Who in Executives & Business. He has served as president of the Cecil County Home Builders Association and as director of the Home Builders Association of Maryland. Mr. Sposato served on the Board of Union Hospital of Cecil County Health Systems, Inc., is past-chairman of Cecil County Health Ventures, Inc. and is a past member of the Union Hospital Finance Committee. He currently serves on the Governmental Affairs Council of the Maryland Bankers Association and the Maryland Bankers Political Action Committee and on the board of Directors of Community Bankers Securities. He is a former Director of Northern Chesapeake Hospice Foundation and Trustee of Mount Aviat Academy. Mr. Sposato is a member of the Knights of Columbus, Elkton Kiwanis and the Cecil County and North East Chambers of Commerce. Mr. Sposato has also attended the Maryland Bankers School. He is Mr. Saunders's uncle.

BOARD MEETINGS AND COMMITTEES

Cecil Bancorp's Board conducts its business through meetings of the Board and of its Committees. The Board meets quarterly and may have additional special meetings. The Board met four times during 2007. Each director attended all of the meetings of the Board and the Committees on which he or she served.

The Audit Committee of the Board oversees and reports to the Board of Directors regarding accounting and financial reporting processes, the audits of the financial statements, the qualifications and independence of Registered Public Accounting Firms ("independent auditors") engaged to provide independent audits and related services, and the performance of the internal audit function and independent auditors; and performs the other duties of the Committee specified by federal securities laws and regulations, the Federal Deposit Insurance Act and related regulations, and its charter. The Committee, in its capacity as a Committee of the Board, is responsible for the appointment, compensation, retention, evaluation, termination, and oversight of the work of any independent auditor employed by Cecil Bancorp for the purpose of preparing or issuing an audit report or related work. The independent auditors report to the Committee. The Committee is responsible for the resolution of any disagreements between management of Cecil Bancorp and the independent auditors regarding financial reporting. All members of the Committee are "independent" as defined in applicable law, regulations of the Securities and Exchange Commission ("SEC"), the Federal Deposit Insurance Act and related regulations (the "FDIA"), and the Listing Standards of the NASDAQ Stock Market, Inc. (the "Listing Standards"). Members of the Committee also meet all other applicable requirements of the SEC, FDIA, and the Listing Standards for financial, accounting or related expertise. The Company does not currently have an "Audit Committee financial expert," as defined under the rules of the SEC, serving on its Audit Committee. The Company believes that all the members of the Audit Committee are qualified to serve on the Committee and have the experience and knowledge to perform the duties required of the Committee. The Company does not have any independent directors who would qualify as an Audit Committee financial expert, as defined. The Company believes that it has been, and may continue to be, impractical to recruit such a director unless and until the Company is significantly larger. The Committee has adopted a written charter, which has been approved by the Board of Directors. The Committee met four times in 2007. Current members are Mr. Vaughan, Mr. Saunders, and Mr. Bathon, Chairman.

The Incentive Compensation Plan Committee selects key employees who will be eligible to receive annual cash awards under the Cecil Bancorp Incentive Compensation Plan. The Incentive Compensation Plan Committee met one time during 2007. Current members of the Committee are Directors Vaughan, Bathon and Sposato.

The Compensation Committee reviews Cecil Bancorp's compensation policies and employee benefit plans and programs, and recommends compensation for executive officers and directors, subject to Board approval. Cecil Bancorp recognizes that the ability to retain and recruit executive officers is critical to the achievement of its annual and long range goals. It seeks to maintain that ability by establishing market-competitive total compensation for its

executive officers that rewards achievement of those goals. Under the compensation policies of Cecil Bancorp, compensation is paid based both on the executive officer's knowledge, skills, and performance and company performance. Cecil Bancorp intends that total compensation and its components be market competitive and consistent with company performance goals. The Compensation Committee assesses the competitiveness of the total compensation and its components and the appropriateness of the mix of compensation components based upon an annual review that generally considers peer comparisons and other information. The Compensation Committee met one time during 2007. Current members of the Committee are Directors Vaughan, Sposato, and Bathon. All members of this Committee other than Mr. Sposato are non-employee directors and are independent directors within the meaning of the Listing Standards. The committee does not have a charter. In 2007, no Cecil Bank executive officer served as a member of the compensation committee of another entity that had an executive officer who served as a Cecil Bank director, and no Cecil Bank executive officer served as a director of another entity that had an executive officer serving on Cecil Bank's Compensation Committee.

The Board of Directors serves as a Nominating Committee for recommending persons to be nominated as directors. Directors Bathon, Saunders, Vaughan, and Lockhart are independent directors within the meaning of the Listing Standards. In its determination of whether or not to recommend a director for nomination, the Board considers whether or not such director meets the minimum criteria for board membership based upon the director's honesty, integrity, reputation in his or her community, existence of any actual or potential conflicts of interest, and past service as a director, and may consider additional factors it deems appropriate. The Board also is responsible for considering persons recommended for nomination as directors by shareholders, other directors, and officers. As a matter of policy, no shareholder nomination or recommendation will be considered unless the board determines, in its good faith discretion, that (i) the manner and substance of the recommendation or nomination and the related information and materials provided in connection with the recommendation or nomination comply with the procedural and substantive requirements of Cecil Bank's Articles of Incorporation, relevant Bylaws, and state and federal law, and (ii) if elected, the person recommended or nominated may lawfully serve on the board. Shareholders may submit recommendations for director candidates for consideration by the Committee to the Secretary by first class mail. The committee does not have a charter. Please also see "Shareholder Proposals and Communications" on page 14 of this Proxy Statement.

COMMON STOCK OWNED BY DIRECTORS AND EXECUTIVE OFFICERS

The shares of Cecil Bancorp's common stock that were beneficially owned on the Record Date by persons who were directors and officers on that date, are shown below.

Name	Amount and Nature of Beneficial Ownership (1)	Percentage of Shares Outstanding (2)
Donald F. Angert	50,483	1.37
Matthew G. Bathon	77,040(3)	2.09
Mary B. Halsey	188,446(4)	5.11
Brian L. Lockhart	2,712	.07
Mark W. Saunders	63,055	1.71
Charles F. Sposato	1,309,622(4)	35.49
Thomas L. Vaughan, Sr.	50,886	1.38
Brian J. Hale	22,361	.61
Sandra D. Feltman	28,235	.77
R. Lee Whitehead	2,039	.06
All Directors and Executive Officers as a Group (13 persons)	1,870,014(4)	50.67%

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- (1) Beneficial ownership is defined by rules of the Securities and Exchange Commission, and includes shares that the person has or shares voting or investment power over and shares that the person has a right to acquire within 60 days from March 31, 2008. Unless otherwise indicated, ownership is direct and the named individual exercises sole voting and investment power over the shares listed as beneficially owned by such person. A decision to disclaim beneficial ownership is made by the individual, not Cecil.
 - (2) In calculating the percentage ownership of each named individual and the group, the number of shares outstanding includes any shares that the person or the group has the right to acquire within 60 days of March 31, 2008.
 - (3) Includes 22,800 shares owned by a trust as to which Mr. Bathon is a trustee with voting power only.
 - (4) Includes 32,200 shares allocated to executive officers under the ESOP as of the Record Date. Also includes 6,012 shares that may be received by certain directors and executive officers upon the exercise of stock options that are exercisable within 60 days of the Record Date. Includes 14,300 shares held in the 401K by Mary B. Halsey and 11,625 shares held in the 401K by Charles F. Sposato. Includes 5,443 shares beneficially owned by David D. Rudolph, a director of Cecil Bank, 42,988 shares beneficially owned by Allen J. Fair, a director of Cecil Bank, and 19,628 shares beneficially owned and 7,070 shares in-directly owned by Leslie McFadden, a director of Cecil Bank.

DIRECTOR AND EXECUTIVE COMPENSATION

Directors' Fees. During 2007, Directors received a retainer of \$600 plus \$150 for each regular meeting of the Board attended and \$75.00 for each Committee meeting attended. The Vice Chairman receives a monthly stipend of \$2,083.33 and the Audit Committee Chairman receives a retainer of \$575 plus \$150 for each Audit Committee meeting attended. Non-employee directors also received awards under the Incentive Compensation Plan totaling \$1,674.

Director Compensation

Name (1)	Fees Earned or Paid in Cash	Non-Equity Incentive Plan Compensation	Total
Charles F. Sposato	\$ 0	\$ 0	\$ 0
Mary B. Halsey	0	0	0
Donald F. Angert	0	0	0
Matthew G. Bathon	10,925	1,286	12,211
Brian L. Lockhart	0	0	0
Mark W. Saunders	26,283	0	26,283
Thomas L. Vaughan, Sr.	3,300	388	3,688

Incentive Compensation Plan. Cecil Bancorp maintains an incentive compensation plan for all non-employee directors of Bancorp and Cecil Bank and for key employees selected by the Incentive Compensation Plan Committee of the Board. Benefits are paid as annual awards based upon the results of a formula. In general, each participant receives an annual award equal to a percentage of his or her base annual compensation times a “multiplier” based upon return on assets, asset quality, and results of regulatory examinations. The Incentive Compensation Committee may adjust awards for unusual financial events or to the extent that payments to Cecil Bank employees would cause Cecil Bank to be less than “well-capitalized” for regulatory purposes. Awards are payable from general assets. The plan has an indefinite term, and may be terminated or amended at any time and for any reason; except with respect to benefits payable for a completed year. The Incentive Compensation Committee also may in its discretion determine, by resolution adopted before the first day of any calendar year, to reduce the amounts payable to employees in the form of awards. The plan is unfunded. All awards are to be paid from Cecil Bancorp’s general assets. For the fiscal year ended December 31, 2007, Ms. Halsey received an award of \$25,129 and Mr. Sposato received an award of \$61,681.

Executive Compensation. The following table summarizes compensation earned by or awarded to Cecil's Chief Executive Officer, Chairman and Chief Operation Officer. No other executive officers had 2007 total compensation in excess of \$100,000.

Summary Compensation Table

Name and Principal Position	Year	Salary	Non-Equity Incentive Plan Compensation (1)	All Other Compensation (2)(3)	Total
Mary B. Halsey President and Chief Executive Officer	2007	\$ 220,000	\$ 25,129	\$ 15,750(2)	\$ 260,879
Charles F. Sposato Chairman of Board	2007	\$ 540,000	\$ 61,681	\$ 15,750(2)	\$ 617,431
Brian J. Hale Chief Operating Officer and Executive Vice President	2007	\$ 102,000		\$ 18,146(3)	\$ 120,146

(1) Award paid through Incentive Compensation Plan.

(2) 401(k) contribution.

(3) Merit Bonus.

Outstanding Equity Awards at December 31, 2007

Information regarding the outstanding equity awards held by each of the Named Executive Officers is provided below.

Name	Option Awards			
	Number of Securities Underlying Unexercised Options Exercisable	Number of Securities Underlying Unexercised Options Unexercisable	Option Exercise Price	Option Expiration Date
Charles F. Sposato	4,008	—	\$6.00	4/21/2009

No options or stock appreciation rights ("SARs") were granted to Ms. Halsey, Mr. Sposato, or Mr. Hale during 2007. No SARs were held by Ms. Halsey, Mr. Sposato, or Mr. Hale at year-end. No options or SARs repriced during Cecil Bancorp's last ten full years.

Employment Agreements. Cecil Bancorp and Cecil Bank each entered into employment agreements in 1994 with Mary B. Halsey to serve as President and Chief Executive Officer of Cecil Bancorp and Cecil Bank. In her capacity as President and Chief Executive Officer, the Employee is responsible for overseeing all operations of Cecil Bank and the Company, and for implementing

the policies adopted by Cecil Bank and the Company's Boards of Directors. The Employment Agreements provide for an initial term of three years, subject to renewal, with an annual base salary being payable to the Employee by Cecil Bank, which is currently in the amount of \$220,000. In lieu of paying the Employee additional salary, Cecil Bancorp has accepted joint and several liability for Cecil Bank's obligations under its Employment Agreement. The Agreement expires in November 2009. The Employment Agreements provide Ms. Halsey with a salary review by the Board of Directors not less often than annually, as well as with inclusion in any discretionary bonus plans, retirement, and medical plans, customary fringe benefits and vacation and sick leave. The Employment Agreements will terminate upon her death or disability, and is terminable by Cecil Bank or Cecil Bancorp for "just cause" as defined in the Employment Agreements. In the event of termination for just cause, no severance benefits are available. If Cecil Bank or Cecil Bancorp terminates Ms. Halsey without just cause, the Employee will be entitled to a continuation of her salary and benefits from the date of termination through the remaining term of the Employment Agreement. If an Employment Agreement is terminated due to her disability, Ms. Halsey will not be entitled to a continuation of her salary and benefits following such termination. In the event of her death during the term of an Employment Agreement, her estate will be entitled to receive her salary through the last day of the month in which death occurs. Ms. Halsey may voluntarily terminate the Employment Agreements by providing 60 days written notice to the Boards of Directors of Cecil Bank and the Company, in which case she is entitled to receive only her compensation, vested rights, and benefits up to the date of termination.

The Employment Agreements contain provisions stating that in the event of Ms. Halsey's involuntary termination of employment in connection with, or within one year after, any change in control other than for just cause, she will be paid within 10 days of such termination an amount equal to the difference between (i) 2.99 times her "base amount," as defined in Section 280G(b)(3) of the Internal Revenue Code, and (ii) the sum of any other parachute payments, as defined under Section 280G(b)(2) of the Internal Revenue Code, that Ms. Halsey receives on account of the change in control. The Employment Agreements provide for a lump sum payment to be made in the event of Ms. Halsey's voluntary termination of employment within one year following a change in control, upon the occurrence, or within 90 days thereafter, of certain specified events following the change in control, which have not been consented to in writing by Ms. Halsey, including (i) the requirement that the Employee perform her principal executive functions more than 35 miles from Cecil Bank's current primary office, (ii) a reduction in her base compensation as then in effect, (iii) the failure of Cecil Bank to maintain existing or substantially similar employee benefit plans, including material vacation, fringe benefits, stock option, and retirement plans, (iv) the assignment to the Employee of duties and responsibilities which are other than those normally associated with her position with Cecil Bank, (v) a material reduction in the Employee's authority and responsibility, and (vi) the failure to re-elect her to Cecil Bank's Board of Directors, provided that she is serving on such Board on the date of the change in control. The aggregate payments that would be made to Ms. Halsey assuming her termination of employment under the foregoing circumstances at December 31, 2007 (the last business day of the year) would have been approximately \$657,800. These provisions may have an anti-takeover effect by making it more expensive for a potential acquiror to obtain control of Cecil Bank. In the event that Ms. Halsey prevails over Cecil Bank or Cecil Bancorp in a legal dispute as to an Employment Agreement, she will be reimbursed for legal and other expenses.

Supplemental Retirement Agreements. The Bank has entered into supplemental retirement agreements with some of its executive officers, including Ms. Halsey, Mr. Sposato, and Mr. Hale. Under the agreements, the Bank is obligated to provide annual benefits for the

officers or their beneficiaries, after the officer's death, disability, or retirement. The estimated present value of future benefits to be paid is being accrued over the period from the effective date of the agreements until the full eligibility dates of the participants. The total expense incurred for this plan for the years ended December 31, 2007 and 2006 was \$1,251,000 and \$1,019,000, respectively. The Bank is the beneficiary of life insurance policies, with an aggregate cash surrender value of \$7,532,000 and \$5,914,000 at December 31, 2007 and 2006, respectively, which were purchased as a method of partially financing the benefits under this plan. The present value of the accumulated benefits under these agreements at December 31, 2007 was \$1,255,219 for Ms. Halsey, \$2,068,379 for Mr. Sposato, and \$26,159 for Mr. Hale. The change in present value of accumulated benefits for 2007 was \$416,220 for Ms. Halsey, \$827,055 for Mr. Sposato, and \$8,046 for Mr. Hale.

CERTAIN TRANSACTIONS

Cecil Bancorp has and expects to have in the future, banking transactions with certain officers and directors of Cecil Bancorp and Cecil Bank and greater than 5% shareholders of Cecil and their immediate families and associates. These transactions are in the ordinary course of business, and loans have been and will be made on substantially the same terms, including interest rates and collateral, as those prevailing at the time for comparable transactions with other persons. In the opinion of management, these loans did not involve more than normal risk of collectibility or present other unfavorable features.

OWNERS OF MORE THAN 5% OF CECIL BANCORP'S COMMON STOCK

Beneficial owners of more than 5% of the common stock are required to file certain ownership reports under the federal securities laws. The following table shows the common stock beneficially owned by persons who have filed these reports reporting beneficial ownership that exceeds 5% of Cecil Bancorp's outstanding common stock at March 25, 2008.

Name	Amount and Nature of Beneficial Ownership (1)	Percentage of Shares Outstanding (2)
Charles F. Sposato P.O. Box 1258 Tavernier, FL 33070	1,309,622	35.49%
Mary Halsey 207 Smith Road Rising Sun, MD 21911	188,446	5.11%

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- (1) Beneficial ownership is defined by rules of the Securities and Exchange Commission, and includes shares that the person has or shares voting or investment power over. Unless otherwise indicated, ownership is direct and the named individual exercises sole voting and investment power over the shares listed as beneficially owned by such person. A decision to disclaim beneficial ownership or to include shares held by others is made by the shareholder, not by Cecil Bancorp.
- (2) Calculated by Cecil based upon shares reported as beneficially owned by the listed persons and shares of Cecil common stock outstanding at March 25, 2008.

SECTION 16(A) BENEFICIAL OWNERSHIP REPORTING COMPLIANCE

Based solely on Cecil Bancorp's review of the copies of initial statements of beneficial ownership on Form 3 and reports of changes in beneficial ownership on Form 4 that it has received in the past year, annual statements of changes in beneficial ownership on Form 5 with respect to the last fiscal year, and written representations that no such annual statement of change in beneficial ownership was required, all directors, executive officers, and beneficial owners of more than 10% of its common stock have timely filed those reports with respect to 2007, with the exception of a Form 4 with respect to purchases of shares by Mr. Sposato, which was inadvertently filed after its due date. Cecil Bancorp makes no representation regarding persons who have not identified themselves as being subject to the reporting requirements of Section 16(a) of the Securities Exchange Act of 1934, or as to the appropriateness of disclaimers of beneficial ownership.

RELATIONSHIP WITH INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

A representative of Stegman & Company, Cecil Bancorp's independent registered public accounting firm, is expected to be present at the Annual Meeting to respond to shareholders' questions and will have the opportunity to make a statement.

Fees

The following table presents fees for professional audit services rendered by Stegman & Company for the audit of the annual consolidated financial statements of Cecil Bancorp, Inc. and subsidiaries for the year ended December 31, 2007, and fees billed for other services rendered by Stegman & Company.

	2007	2006
Audit Fees (1)	\$59,250	\$56,000
Tax Services (2)(3)	6,500	6,500
All Other Fees (2)(4)	14,000	3,270
Total	<u>\$79,750</u>	<u>\$65,770</u>

- (1) Audit fees consist of fees and expenses for professional services rendered for the audit of Cecil Bancorp's consolidated financial statements, for review of consolidated financial statements included in Cecil Bancorp's quarterly reports on Form 10-QSB, and for other services normally provided by the independent auditor in connection with statutory and regulatory filings or engagements. Amounts shown are for the audits for, and the review of Forms 10-QSB filed within, the indicated years, regardless of when the fees and expenses were billed or the services were rendered.
- (2) Includes fees and expenses for services rendered for the years shown regardless of when the fees and expenses were billed.
- (3) Tax services fees consist of fees for compliance tax services including tax planning and advice and preparation of tax returns.
- (4) Other fees for 2006 consist of consulting fees for a state sales tax examination and the fees for 2007 represent an audit of the Company's 401(k) plan.

Preapproval of Services

The Audit Committee is required to preapprove all auditing services and permitted non-audit services provided by Cecil Bank's independent registered public accounting firm, under Securities and Exchange Commission regulations that became effective in May 2003. There is an exception for preapproval of non-audit services if the aggregate amount of all such non-audit services provided to Cecil Bank constitutes not more than 5 percent of the total amount of revenues paid by it to its independent registered public accounting firm during the fiscal year in which the non-audit services are provided; such services were not recognized by Cecil Bank at the time of the engagement to be non-audit services; and the non-audit services are promptly brought to the attention of the Committee and approved prior to the completion of the audit by the Committee or by one or more members of the Committee to whom authority to grant such approval has been delegated by the Committee. All audit services and permitted non-audit services to be performed by the Company's independent registered public accounting firm have been preapproved by the Audit Committee as required by Securities and Exchange Commission regulations and the Audit Committee's charter without exception.

REPORT OF THE AUDIT COMMITTEE

The Audit Committee reviews and reports to the Board of Directors regarding the performance of the internal audit function and independent registered public accounting firm, the integrity of the consolidated financial statements, management's efforts to maintain a system of internal controls, and compliance with legal and regulatory requirements. The Committee (1) has reviewed and discussed the audited consolidated financial statements included in Cecil Bancorp's 2007 Annual Report and Form 10-K with management; (2) has discussed with independent registered public accounting firm the matters required to be discussed by Statement of Auditing Standards 61; and (3) has received the written disclosures and the letter from the independent registered public accounting firm required by Independence Standards Board Standard No. 1, and has discussed independence with the independent registered public accounting firm. Based upon this review, discussion, disclosures, and materials described in (1) through (3), the Committee recommended to the Board of Directors that the audited consolidated financial statements be included in the 2007 Annual Report and Form 10-K. The Committee also has considered whether the amount and nature of non-audit services rendered by the independent accountant are consistent with its independence.

February 19, 2008

Mathew G. Bathon, Chairman
Thomas L. Vaughan, Sr.
Mark W. Saunders

OTHER MATTERS

The Board is not aware of any business to come before the Annual Meeting other than those matters described above in this Proxy Statement and matters incident to the conduct of the Annual Meeting. However, if any other matters should properly come before the Annual Meeting, it is intended that proxies in the accompanying form will be voted as determined by a majority of the Board of Directors.

SHAREHOLDER PROPOSALS AND COMMUNICATIONS

Any shareholder proposal to take action at the year 2009 Annual Meeting of Shareholders must be received at Cecil Bancorp's executive offices at 127 North Street, Elkton, Maryland 21922-5547, addressed to the Chairman of the Board no later than December 9, 2008, in order to be eligible for inclusion in Cecil's proxy materials for that meeting unless the date of the 2009 annual meeting is more than thirty days from May 13, 2009, in which case the deadline is a reasonable time before the Company begins to print and mail proxy materials. Any such proposals shall be subject to the requirements of the proxy rules adopted under the Securities Exchange Act of 1934. Under Cecil Bancorp's Certificate of Incorporation, a shareholder proposal or nomination for director may be eligible for consideration at an annual or special meeting if written notice is delivered or mailed to the Secretary not less than thirty days nor more than sixty days before the meeting, provided that, if less than forty days notice of the meeting has been given, such written notice may be delivered or mailed by the close of the tenth day after the date notice of the meeting was mailed. Such notices also must include information required by and comply with procedures established by the Articles of Incorporation.

Cecil Bancorp's shareholders may communicate with the Board of Directors or any individual director by addressing correspondence to the board or such director in care of the Secretary at Cecil Bancorp's main office by mail, courier, or facsimile.

The Board of Directors believes it is important for all directors to attend the annual meeting of shareholders in order to show their support for Cecil Bank and to provide an opportunity for shareholders to express any concerns to them. As a matter of policy, all directors are required to attend each annual meeting of shareholders unless they are unable to attend by reason of personal or family illness or pressing matters.

CODE OF ETHICS

The Board of Directors of Cecil Bancorp has adopted a code of ethics that applies to all directors, officers, and employees of Cecil Bancorp and its consolidated subsidiaries. This code, which fulfills the requirements of the Listing Standards and the criteria established by applicable SEC regulation, has been filed as an exhibit to Cecil Bancorp's Annual Report to the SEC on Form 10-K.

ANNUAL REPORT TO SHAREHOLDERS

Cecil Bancorp's 2007 Annual Report on Form 10-K, including consolidated financial statements, has been mailed to all shareholders of record as of the close of business on the Record Date. Any shareholder who has not received a copy of such Annual Report may obtain a copy by writing to the Secretary. Such Annual Report is not to be treated as a part of the proxy solicitation material or as having been incorporated herein by reference.

BY ORDER OF THE BOARD OF DIRECTORS

Sandra D. Feltman
SECRETARY

Elkton, Maryland
April 8, 2008

ANNUAL REPORT ON FORM 10-K

A copy of Cecil's Annual Report on Form 10-K for the year ended December 31, 2007, as filed with the Securities and Exchange Commission has been furnished without charge to shareholders as of the record date. Exhibits to and additional copies of such Form 10-K will be provided upon written request to: the Secretary, Cecil Bancorp, Inc., P.O. Box 568, 127 North Street, Elkton, Maryland 21922-5547.

**REVOCABLE PROXY
CECIL BANCORP, INC.
ANNUAL MEETING OF SHAREHOLDERS
May 13, 2008**

The undersigned hereby appoint Mary B. Halsey and Charles F. Sposato, and each of them, with full powers of substitution, to act as attorneys and proxies for the undersigned to vote all shares of Common Stock of Cecil Bancorp, Inc. which the undersigned is entitled to vote at the annual meeting of stockholders, to be held at the Cecil Bank Corporate Center, 118 North Street, Elkton, Maryland on Tuesday, May 13, 2008, at 9:00 a.m. (the "Annual Meeting"), and any and all adjournments thereof, as follows, and in accordance with the determination of a majority of the Board of Directors with respect to other matters which come before the Annual Meeting.

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

Date

Stockholder sign above

Co-holder (if any) sign above

**Detach above card, sign, date and mail in postage paid envelope provided.
CECIL BANCORP, INC.
Elkton, Maryland**

I. The election as directors of all nominees listed below (except as marked to the contrary below):

FOR TERMS TO EXPIRE IN 2011

Brian L. Lockhart
Mark W. Saunders

For All Nominees _____

For All Except _____

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.

The board of directors recommends a vote "FOR" each of the nominees listed above

THIS PROXY WILL BE VOTED AS DIRECTED, BUT IF NO INSTRUCTIONS ARE SPECIFIED, THIS PROXY WILL BE VOTED FOR THE NOMINEES LISTED ABOVE. IF ANY OTHER BUSINESS IS PRESENTED AT THE ANNUAL MEETING, THIS PROXY WILL BE VOTED BY THOSE NAMED IN THIS PROXY IN ACCORDANCE WITH THE DETERMINATION OF A MAJORITY OF THE BOARD OF DIRECTORS. AT THE PRESENT TIME, THE BOARD OF DIRECTORS KNOWS OF NO OTHER BUSINESS TO BE PRESENTED AT THE ANNUAL MEETING. THIS PROXY CONFERS DISCRETIONARY AUTHORITY ON THE HOLDERS THEREOF TO VOTE WITH RESPECT TO THE ELECTION OF ANY PERSONS AS DIRECTORS WHERE THE NOMINEES ARE UNABLE TO SERVE OR FOR GOOD CAUSE WILL NOT SERVE AND MATTERS INCIDENT TO THE CONDUCT OF THE ANNUAL MEETING.

THIS PROXY IS SOLICITED BY THE BOARD OF DIRECTORS

Should the above signed by present and elect to vote at the annual meeting or at any adjournment thereof and after notification to the Secretary of the Company at the Annual Meeting of the stockholder's decision to terminate this proxy, then the power of said attorneys and proxies shall be deemed terminated and of not further force and effect.

The above signed acknowledges receipt from the Company prior to the execution of this proxy of Notice of the Annual Meeting, a proxy statement dated April 8, 2008 and an Annual Report on Form 10-K for the 2007 fiscal year.

Please sign exactly as your name appears on this card. When signing at attorney, administrator, trustee or guardian, please give your full title. If shares are held jointly, each holder should sign.

**PLEASE ACT PROMPTLY
SIGN, DATE & MAIL YOUR PROXY CARD TODAY**

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.
