NEW YORK COMMUNITY BANCORP INC
Form DEF 14A
April 21, 2011

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a)

of the Securities Exchange Act of 1934

Filed by the registrant x

Filed by a party other than the registrant ¨

Check the appropriate box:

¨ Preliminary proxy statement
x Definitive proxy statement
¨ Definitive additional materials
¨ Soliciting material under Rule 14a-12

¨ **Confidential, for Use of the Commission Only (as permitted by Rule 14-a6(e)(2))**

New York Community Bancorp, Inc.

(Name of Registrant as specified in its Charter)

Payment of filing fee (Check the appropriate box):

x No fee required.
¨ Fee computed on table below per Exchange Act Rule 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 transactions applies:

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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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(1) Amount previously paid:

(2) Form, schedule or registration statement no.:

(3) Filing party:

(4) Date filed:

April 22, 2011

Fellow Shareholders:

You are cordially invited to attend the Annual Meeting of Shareholders of New York Community Bancorp, Inc., the holding company for New York Community Bank and New York Commercial Bank. The Annual Meeting will be held on Thursday, June 2, 2011 at 10:00 a.m., Eastern Daylight Time, at the Sheraton LaGuardia East Hotel, 135-20 39th Avenue, Flushing, New York.

The attached Notice and Proxy Statement describe the formal business to be transacted at the Annual Meeting. Directors and officers of New York Community Bancorp, Inc., as well as representatives of KPMG LLP, the Company s independent registered public accounting firm, will be present to respond to any questions you may have.

On April 22, 2011, under rules established by the Securities and Exchange Commission, we sent the majority of those shareholders who are eligible to vote at the Annual Meeting a notice that explains how to access their proxy materials, including our 2010 Annual Report, online, rather than in traditional printed form. The notice also explains the simple steps our eligible shareholders can follow in order to vote their shares online. If you are among the shareholders who received the notice explaining this process and would prefer to receive your proxy materials in the traditional hard copy format, the notice also explains how to arrange to have the printed materials sent to you in the mail. If you are among those who received their proxy materials in printed form, rather than the notice, please note that you may still access these materials and vote your shares online by going to the following website: www.proxyvote.com.

To cast your vote, please sign, date, and return the enclosed proxy card promptly, or vote online or by telephone as instructed on the proxy card. As the holders of a majority of the Common Stock entitled to vote must be represented, either in person or by proxy, to constitute a quorum at the meeting, we would appreciate your timely response.

To be admitted to the Annual Meeting of Shareholders, a shareholder must present both an admission ticket and photo identification. Procedures for shareholder admission to the meeting are described in this proxy statement on page 41, where you also will find information about how you can expedite the delivery of future proxy solicitation materials and help reduce our preparation and distribution costs through online delivery.

On behalf of the Board of Directors, officers, and employees of New York Community Bancorp, we thank you for your continued interest and support.

Sincerely,

Dominick Ciampa	Joseph R. Ficalora
Chairman of the Board	*President and Chief Executive Officer*

NEW YORK COMMUNITY BANCORP, INC.

615 Merrick Avenue

Westbury, New York 11590

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS

To Be Held on June 2, 2011

The Annual Meeting of Shareholders (the Annual Meeting) of New York Community Bancorp, Inc. (the Company) will be held on Thursday, June 2, 2011 at 10:00 a.m., Eastern Daylight Time, at the Sheraton LaGuardia East Hotel, 135-20 39th Avenue, Flushing, New York.

The purpose of the Annual Meeting is to consider and vote upon the following matters:

1. The election of five directors to three-year terms;

2. The ratification of the appointment of KPMG LLP as the independent registered public accounting firm of the Company for the fiscal year ending December 31, 2011;

3. Re-approval of the New York Community Bancorp, Inc. Management Incentive Compensation Plan, which was originally approved by shareholders in 2006, and the material terms of which are described in the accompanying Proxy Statement;

4. Re-approval of the New York Community Bancorp, Inc. 2006 Stock Incentive Plan, which was originally approved by shareholders in 2006, and the material terms of which are described in the accompanying Proxy Statement;

5. Approval, on a non-binding advisory basis, of New York Community Bancorp, Inc. s Named Executive Officer compensation;

6. To provide a non-binding advisory vote on the frequency with which the advisory vote on the Named Executive Officer compensation shall occur; and

7. Such other matters as may properly come before the meeting or any adjournments thereof, including whether or not to adjourn the meeting.

The Board of Directors has established April 7, 2011 as the record date for the determination of shareholders entitled to receive notice of, and to vote at, the Annual Meeting and at any adjournments thereof. Only shareholders of record as of the close of business on that date will be entitled to vote at the Annual Meeting or at any adjournments thereof. In the event that there are not sufficient shares present to constitute a quorum, or votes to approve or ratify any of the foregoing proposals, at the time of the Annual Meeting, the Annual Meeting may be adjourned in order to permit further solicitation of proxies by the Company. A list of shareholders entitled to vote at the Annual Meeting will be available for inspection at the offices of the Company at 615 Merrick Avenue, Westbury, New York 11590, for a period of ten days prior to the Annual Meeting and will also be available for inspection at the meeting.

By Order of the Board of Directors,

R. Patrick Quinn
Executive Vice President,

Chief Corporate Governance Officer,

and Corporate Secretary

Westbury, New York

April 22, 2011

IMPORTANT NOTICE REGARDING THE AVAILABILITY OF PROXY MATERIALS FOR THE SHAREHOLDER MEETING TO BE HELD ON JUNE 2, 2011:

The Proxy Statement and Annual Report to Shareholders are available at www.proxyvote.com.

NEW YORK COMMUNITY BANCORP, INC.

PROXY STATEMENT

ANNUAL MEETING OF SHAREHOLDERS

JUNE 2, 2011

Solicitation and Voting of Proxies

This proxy statement is being furnished to shareholders of New York Community Bancorp, Inc. (the Company) in connection with the solicitation of proxies by the Board of Directors (the Board of Directors or Board) to be voted at the Annual Meeting of Shareholders (the Annual Meeting) to be held on Thursday, June 2, 2011, and at any adjournments thereof. This proxy statement is being mailed to shareholders on or about April 22, 2011. The 2010 Annual Report on Form 10-K, including consolidated financial statements for the fiscal year ended December 31, 2010, accompanies this proxy statement.

As has been the case since 2008, the Company is taking advantage of Securities and Exchange Commission (SEC) rules that allow companies to furnish proxy materials to shareholders via the Internet. Accordingly, the Company is sending a Notice of Internet Availability of Proxy Materials (the Notice) to its shareholders of record and beneficial owners, unless they have directed the Company to provide the materials in a different manner. The Notice provides instructions on how to access and review all of the important information contained in the Company s Proxy Statement and Annual Report to Shareholders, as well as how to cast a vote, over the Internet. Shareholders who receive the Notice and who would still like to receive a printed copy of the Company s proxy materials can find instructions for requesting these materials included in the Notice. The Company plans to mail the Notice to shareholders by April 22, 2011.

It is important that holders of at least a majority of the shares eligible to be voted be represented in person or by proxy at the Annual Meeting. Regardless of the number of shares of Company common stock (the Common Stock) owned, shareholders are requested to vote by completing, signing and dating the enclosed proxy card and returning it in the enclosed postage-paid envelope. Shareholders are urged to indicate their votes in the spaces provided on the proxy card. **Proxies solicited by the Board of Directors of the Company will be voted in accordance with the directions given therein. If you are a shareholder of record and no instructions are indicated, signed and dated proxy cards will be voted FOR the election of the nominees for director named in this proxy statement, FOR the ratification of the appointment of KPMG LLP as the independent registered public accounting firm of the Company, FOR re-approval of the New York Community Bancorp, Inc. Management Incentive Compensation Plan, FOR re-approval of the New York Community Bancorp, Inc. 2006 Stock Incentive Plan, FOR approval of the Named Executive Officer compensation, and FOR the three year frequency option for the Company to hold a shareholder vote to approve its Named Executive Officer compensation.**

Alternatively, shareholders of record may vote their shares of Common Stock over the Internet, or by calling a specially designated toll-free telephone number. The Internet and telephone voting procedures are designed to authenticate shareholders identities, and to allow shareholders to provide both their voting instructions and confirm that said instructions have been properly recorded. Specific instructions for shareholders of record who wish to vote their proxies over the Internet or by telephone are set forth on the enclosed proxy card.

Please be aware that if you vote over the Internet, you may incur costs such as telephone and Internet access charges for which you will be responsible. The Internet and telephone voting facilities for eligible shareholders of record will close at 11:59 p.m., Eastern Daylight Time, on June 1, 2011.

Other than the matters listed on the attached Notice of Annual Meeting of Shareholders, the Board of Directors knows of no other matters that will be presented for consideration at the Annual Meeting. **However, execution of a proxy or voting online or by telephone confers on the designated proxy holders discretionary authority to vote the shares represented by the proxy in accordance with their best judgment on such other business, if any, that may properly come before the Annual Meeting or any adjournments thereof, including whether or not to adjourn the meeting.**

A proxy may be revoked at any time prior to its exercise by filing a written notice of revocation with the Corporate Secretary of the Company, by delivering to the Company a duly executed proxy bearing a later date, by voting online or by telephone on a later date, or by attending the Annual Meeting and voting in person.

The cost of the solicitation of proxies on behalf of management will be borne by the Company. In addition to the solicitation of proxies by mail, Phoenix Advisory Partners, a proxy solicitation firm, will assist the Company in soliciting proxies for the Annual Meeting and will be paid a fee of $8,500 plus out-of-pocket expenses. Proxies also may be solicited, personally or by telephone, by directors, officers, and other employees of the Company and its subsidiaries, New York Community Bank (the Community Bank) and New York Commercial Bank (the Commercial Bank) (collectively, the Banks), without receipt of additional compensation. The Company also will request that persons, firms, and corporations holding shares in their names, or in the names of their nominees that are beneficially owned by others, send proxy materials to, and obtain proxies from, such beneficial owners. The Company will reimburse such holders for their reasonable expenses in doing so. If your Company shares are held in street name, your broker, bank, or other nominee will provide you with instructions that must be followed in order to have your shares voted. Your broker or bank may allow you to deliver your voting instructions via the Internet or by telephone. Please see the instruction form that was provided by your broker or bank with this proxy statement. If you wish to change your voting instructions after you have returned your voting instruction form, you will need to contact your broker or bank. **If you wish to vote your shares of Common Stock in person at the Annual Meeting, you will need to get a written proxy in your name from the broker, bank, or other nominee who holds your shares.**

Voting Securities

The securities that may be voted at the Annual Meeting consist of shares of Common Stock, with each share entitling its owner to one vote on all matters to be voted on at the Annual Meeting, except as described below. There is no cumulative voting for the election of directors.

The close of business on April 7, 2011 has been fixed by the Board of Directors as the record date (the Record Date) for the determination of shareholders of record entitled to receive notice of, and to vote at, the Annual Meeting and at any adjournments thereof. The total number of shares of Common Stock outstanding and entitled to vote on the Record Date was 437,342,349.

As provided in the Company s Certificate of Incorporation, holders of Common Stock who beneficially own in excess of 10% of the outstanding shares of Common Stock (the Limit) are not entitled to any vote with respect to the shares held in excess of the Limit. A person or entity is deemed to beneficially own shares owned by an affiliate of, as well as by, persons acting in concert with such person or entity. The Company s Certificate of Incorporation authorizes the Board of Directors (i) to make all determinations necessary to implement and apply the Limit, including determining whether persons or entities are acting in concert, and (ii) to demand that any person who is reasonably believed to beneficially own stock in excess of the Limit supply information to the Company to enable the Board of Directors to implement and apply the Limit.

The presence, in person or by proxy, of the holders of record of at least a majority of the total number of shares of Common Stock entitled to vote (after subtracting any shares in excess of the Limit pursuant to the Company s Certificate of Incorporation) is necessary to constitute a quorum at the Annual Meeting. In the event that there are not sufficient shares present for a quorum, or votes to approve or ratify any proposal at the time of the Annual Meeting, the Annual Meeting may be adjourned in order to permit the further solicitation of proxies.

As to the election of directors (Proposal 1), the proxy card being provided by the Board of Directors enables a shareholder to vote for the election of the nominees proposed by the Board of Directors or to withhold authority to vote for one or more of the nominees being proposed. Directors are elected by a plurality of votes cast, without regard to either (i) broker non-votes or (ii) proxies as to which authority to vote for one or more of the nominees being proposed is withheld.

If you hold your shares in street name it is critical that you cast your vote if you want it to count in the election of directors. In the past, if you held your shares in street name and you did not indicate how you wanted your shares voted in the election of directors, your bank or broker was allowed to vote those shares on your behalf in the election of directors as they felt appropriate. Recent changes in regulation were made to take away the ability of your bank or broker to vote your uninstructed shares in the election of directors on a discretionary basis. Thus, if you hold your shares in street name and you do not instruct your bank or broker how to vote in the election of directors, no votes will be cast on your behalf. These are referred to as broker non-votes. Your bank or broker will, however, continue to have discretion to vote any uninstructed shares on the ratification of the appointment of the Company s independent registered public accounting firm. If you are a shareholder of record and you do not cast your vote, no votes will be cast on your behalf on any of the items of business at the annual meeting.

As to the ratification of the appointment of the independent registered public accounting firm (Proposal 2), the proxy card being provided by the Board of Directors enables a shareholder to check the appropriate box on the proxy card to (i) vote FOR the proposal, (ii) vote AGAINST the proposal, or (iii) ABSTAIN from voting on the proposal.

As to the re-approval of the Company s Management Incentive Compensation Plan (Proposal 3), the proxy card being provided by the Board of Directors enables a shareholder to check the appropriate box on the proxy card to (i) vote FOR the proposal, (ii) vote AGAINST the proposal, or (iii) ABSTAIN from voting on the proposal.

As to the re-approval of the Company s 2006 Stock Incentive Plan (Proposal 4), the proxy card being provided by the Board of Directors enables a shareholder to check the appropriate box on the proxy card to (i) vote FOR the proposal, (ii) vote AGAINST the proposal, or (iii) ABSTAIN from voting on the proposal.

As to the advisory approval of the 2010 Named Executive Officer compensation (Proposal 5), the proxy card being provided by the Board of Directors enables a shareholder to check the appropriate box on the proxy card to (i) vote FOR the proposal, (ii) vote AGAINST the proposal, or (iii) ABSTAIN from voting on the proposal.

As to the advisory vote to determine the frequency with which the Company will hold a stockholder vote to approve its Named Executive Officer compensation (Proposal 6), the proxy card being provided by the Board of Directors enables a shareholder to check the appropriate box on the proxy card to (i) 1 Year, (ii) 2 Years, (iii) 3 Years, or (iv) ABSTAIN from voting on the proposal.

An affirmative vote of a majority of the shares of Common Stock cast at the Annual Meeting at which a quorum is present, in person or by proxy, is required to constitute shareholder ratification of Proposals 2, 3, 4, 5, and 6. In connection with such proposals, shares as to which the ABSTAIN box has been selected on the proxy card and shares underlying broker non-votes or in excess of the Limit will not be counted as votes cast, and will have no effect on the vote on the matter presented.

Proxies solicited hereby will be tabulated by inspectors of election designated by the Board of Directors. The inspectors of election will not be employed by, or be directors of, the Company or any of its affiliates.

Security Ownership of Certain Beneficial Owners

The following table sets forth information as to those persons or entities known by management to be beneficial owners of more than 5% of the outstanding shares of Common Stock on April 7, 2011. Other than those persons or entities listed below, the Company is not aware of any person or entity or group that beneficially owned more than 5% of the Common Stock as of April 7, 2011.

Name and Address of Beneficial Owner	Amount and Nature of Beneficial Ownership	Percent of Class
Capital World Investors, a division of Capital Research and Management Company 333 South Hope Street Los Angeles, California 90071	27,650,000 (1)	6.30%
BlackRock, Inc. 40 East 52nd Street New York, New York 10022	27,282,657 (2)	6.26%

(1) Based solely on information filed in a Schedule 13G/A with the SEC on February 11, 2011.

(2) Based solely on information filed in a Schedule 13G/A with the SEC on February 7, 2011.

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PROPOSALS TO BE VOTED ON AT THE MEETING

PROPOSAL 1.

ELECTION OF DIRECTORS

All persons standing for election as directors were unanimously nominated by the Nominating and Corporate Governance Committee of the Board of Directors. No person being nominated as a director is being proposed for election pursuant to any agreement or understanding between any such person and the Company.

The Board of Directors currently consists of thirteen (13) members. All directors presently serve as directors of the Company, the Community Bank, and the Commercial Bank. Directors of the Company Board are elected for staggered terms of three years each, with the term of office of one of the three classes of directors expiring each year. Directors serve until their successors are elected and qualified.

The nominees proposed for election at this year s Annual Meeting are Dominick Ciampa, William C. Frederick, M.D., Max L. Kupferberg, Spiros J. Voutsinas, and Robert Wann.

The Nominating and Corporate Governance Committee approved and recommended to the Board of Directors the director nominees standing for election at the Annual Meeting. All of the nominees proposed for election at the Annual Meeting are current members of the Board, and the Company received no nominations from shareholders for the election of directors to the Board.

In the event that any such nominee is unable to serve or declines to serve for any reason, it is intended that the proxies will be voted for the election of such other person as may be designated by the Nominating and Corporate Governance Committee of the Board of Directors. The Board of Directors has no reason to believe that any of the persons named will be unable or unwilling to serve. **Unless authority to vote for the nominee is withheld, it is intended that the shares represented by the enclosed proxy card, if executed, dated, and returned, will be voted FOR the election of the nominees proposed by the Board of Directors.**

THE BOARD OF DIRECTORS RECOMMENDS THAT YOU VOTE FOR THE ELECTION OF THE NOMINEES NAMED IN THIS PROXY STATEMENT.

Information with Respect to the Nominees, Continuing Directors, and Executive Officers

The following table sets forth, as of April 7, 2011, the names of the nominees, continuing directors, and executive officers of the Company, their ages and, as applicable, the year in which each Board member became a director and the year in which his or her term (or in the case of the nominees, their proposed terms) as director of the Company expire. The table also sets forth the amount and percentage of Common Stock beneficially owned by each director and executive officer and by all directors and executive officers as a group as of April 7, 2011.

Name	Age	Director Since (1)	Shares of Common Stock Beneficially Owned (2)	Percent of Class
Nominees for Directors (whose terms expire in 2014):				
Dominick Ciampa	77	1995	1,052,135 (3,4)	0.24%
William C. Frederick, M.D.	83	2001	364,329 (3,4,7)	0.08%
Max L. Kupferberg	91	1983	3,471,419 (3,4)	0.91%
Spiros J. Voutsinas	77	2003	192,306 (6,7)	0.04%
Robert Wann	56	2008	2,791,192 (4,5,6)	0.62%
Directors whose terms expire in 2013:				
Michael J. Levine	66	2004	365,693 (4,6)	0.08%
The Honorable Guy V. Molinari	82	2004	34,277 (4)	0.01%
John M. Tsimbinos	73	2003	1,502,785 (3,4)	0.39%
Directors whose terms expire in 2012:				
Maureen E. Clancy	79	2003	136,118 (3,4)	0.03%
Robert S. Farrell	85	2001	363,069 (3,4)	0.08%
Joseph R. Ficalora	64	1989	6,566,616 (3,4,5,6)	1.45%
James J. O Donovan	68	2003	2,563,641 (3,4,5)	0.58%
Hanif W. Dahya	55	2007	60,000 (3,6)	0.01%
Executive Officers Who Are Not Directors:				
Thomas R. Cangemi	42		790,516 (3,5,6,7)	0.17%
James J. Carpenter	50		307,551 (3,4,5,6)	0.07%
John J. Pinto	40		334,207 (4,5,6)	0.07%
All directors and executive officers as a group (16 persons)			20,895,854	4.86%

(1) Includes years of service as a trustee or director of the Community Bank.

(2) Each person effectively exercises sole (or shares with spouse or other immediate family member) voting or dispositive power as to shares reported herein (except as noted). Figures include all of the shares held directly and indirectly by directors and the Company s executive officers, as well as the shares underlying options that have been granted to, and are currently exercisable or exercisable within 60 days by, such directors and executive officers under the Company s various stock-based and other benefit plans.

(3) Includes the following shares that are owned by spouses of the named nominees, continuing directors, and executive officers or held in individual retirement accounts, trusts accounts, custodian accounts, or foundation accounts for which the directors and the executive officers are deemed beneficial owners: Mr. Ciampa 791,731; Mrs. Clancy 22,581; Mr. Dahya 25,000; Mr. Farrell 54,247; Mr. Ficalora 300,863; Dr. Frederick 12,240; Mr. Kupferberg 2,404,312; Mr. O Donovan 5,318; Mr. Tsimbinos 704,069; Mr. Cangemi 60,335; and Mr. Carpenter 16,166. Mr. Kupferberg s holdings indicated above also include shares held through a partnership and a limited liability company.

(4) Includes the following shares underlying options granted under the Company s stock-based and other benefit plans, all of which are currently exercisable or exercisable within 60 days: Mr. Ciampa 216,000; Mrs. Clancy 33,389; Mr. Farrell 45,333; Mr. Ficalora 2,052,511; Dr. Frederick 45,333; Mr. Kupferberg 261,333; Mr. Levine 153,333; Mr. Molinari 11,852; Mr. O Donovan 1,351,289; Mr. Tsimbinos 33,389; Mr. Wann 1,351,289; Mr. Carpenter 41,333; and

Mr. Pinto 120,000.

(5) Includes the following shares allocated under the NYCB Employee Stock Ownership Plan (ESOP): Mr. Ficalora 397,903; Mr. O Donovan 259,738; Mr. Wann 259,308; Mr. Cangemi 33,166; Mr. Carpenter 36,130; and Mr. Pinto 28,890, as well as shares acquired in Messrs. Ficalora s, Cangemi s, and Pinto s ESOP accounts pursuant to dividend reinvestment. Also includes 169,567; 679,544; and 201,201 shares allocated under the Community Bank s Supplemental Benefits Plan to the accounts of Messrs. Wann,

Ficalora, and O Donovan, respectively, as well as shares acquired by Messrs. Wann, Ficalora, and O Donovan in such accounts pursuant to dividend reinvestment. Includes shares held by the trustee of the New York Community Bancorp, Inc. Employee Savings Plan for the accounts of the following officers: Mr. Ficalora 418,837; Mr. Wann 81,929; Mr. O Donovan 84,749; Mr. Cangemi 86,084; Mr. Carpenter 7,162; and Mr. Pinto 26,509; as well as shares acquired in Messrs. Ficalora s, Cangemi s, Carpenter s and Pinto s accounts pursuant to dividend reinvestment.

(6) Includes the following shares of unvested restricted stock awarded under the New York Community Bancorp, Inc. 2006 Stock Incentive Plan: Mr. Ciampa 25,000; Mr. Dahya 16,000; Mr. Ficalora 400,000; Mr. Levine 21,000; Mr. O Donovan 10,000; Mr. Voutsinas 49,000; Mr. Wann 184,000; Mr. Cangemi 142,000; Mr. Carpenter 127,600; and Mr. Pinto 80,000.

(7) Dr. Frederick and Messrs. Voutsinas and Cangemi have pledged 334,115, 116,722, and 431,729 shares of Common Stock, respectively, pursuant to margin account arrangements. The margin balances outstanding, if any, pursuant to such arrangements may vary from time to time.

Director Qualifications and Business Experience

Dominick Ciampa. Mr. Ciampa is a Principal and Partner in the Ciampa Organization, a Queens-based real estate development firm founded in 1975. Mr. Ciampa was appointed Chairman of the Board of the Company and the Banks on December 21, 2010. In addition, Mr. Ciampa served as the President of the Queens Chamber of Commerce from 1989 to 1991. Mr. Ciampa s combined experience with the Company, and in leading a large commercial real estate development organization with significant ownership interests in our market areas, brings valuable insight to the Board in overseeing, among other matters, a wide range of banking and real estate matters, in furtherance of the Board s objective of maintaining a membership of experienced and dedicated individuals with diverse backgrounds, perspectives, skills, and other qualities that are beneficial to the Company.

William C. Frederick, M.D. Dr. Frederick was affiliated with St. Vincent s Hospital on Staten Island for 36 years until his retirement in 1997, and was Director of Surgery from 1966 to 1978. Dr. Frederick s experience with the Company and prior experience serving on the Board of Richmond County Financial Corp., combined with his experience in the healthcare industry and leadership skills, bring a unique perspective to the Board in furtherance of the Board s objective of maintaining a membership of experienced and dedicated individuals with diverse backgrounds, perspectives, skills, and other qualities that are beneficial to the Company.

Max L. Kupferberg. Mr. Kupferberg is Chairman of the Board of Kepco, Inc., a manufacturer of electrical equipment. Mr. Kupferberg s 27 years of experience with the Company, combined with his extensive experience as Chairman of his own company, bring valuable business and leadership skills and financial acumen to the Board in furtherance of the Board s objective of maintaining a membership of experienced and dedicated individuals with diverse backgrounds, perspectives, skills, and other qualities that are beneficial to the Company.

Spiros J. Voutsinas. Mr. Voutsinas was named President of the Commercial Bank s Atlantic Bank Division on April 28, 2006. Mr. Voutsinas was the President of Omega Capital, Inc., a real estate development and syndication firm from November 1988 to March 2007, and a general partner of Omega Partners LP, a money management firm specializing in bank stocks, from 1991 to 2005. Mr. Voutsinas is also a Director of Peter B. Cannell & Co., Inc., an investment advisory firm affiliated with the Company. Mr. Voutsinas experience with the Company and contributions as the President of the Atlantic Bank division of New York Commercial Bank, combined with his prior extensive banking experience with Roslyn Bancorp, TR Financial Corp., and Apple Bank, bring valuable insight and management and leadership skills to the Board, as well as a wealth of knowledge in all areas of the Company s banking business. This experience and skill also contribute to the Board s objective of maintaining a membership of experienced and dedicated individuals with diverse backgrounds, perspectives, skills, and other qualities that are beneficial to the Company.

Robert Wann. Mr. Wann has been the Senior Executive Vice President and Chief Operating Officer of the Company since 2003. Prior to his appointment as Chief Operating Officer, Mr. Wann spearheaded the Finance Division of the Company. Mr. Wann joined the Company in 1982; was named Comptroller in 1989; and was appointed Chief Financial Officer in 1991. Mr. Wann is a key member of the management team that led the Company s conversion to stock form in 1993. Mr. Wann played and continues to play, a crucial role in the development and growth of the Company, including in connection with numerous strategic business combinations it has undertaken.

With over 29 years experience at the Company, Mr. Wann has a deep understanding and thorough knowledge of the Company, its operating companies, and its lines of business. Mr. Wann has consistently demonstrated his leadership abilities and his commitment to the Company through his long service in numerous roles. Mr. Wann s extensive financial and operating experience, commitment, knowledge, and leadership make him well-suited to serve on the Board and contribute to the Board s objective of maintaining a membership of experienced and dedicated individuals with diverse backgrounds, perspectives, skills, and other qualities that are beneficial to the Company.

Maureen E. Clancy. Mrs. Clancy is Chief Financial Officer and Owner of Clancy & Clancy Brokerage Ltd., an insurance agency. Mrs. Clancy s experience with the Company and prior experience serving on the Boards of Roslyn Bancorp, TR Financial Corp., and Roosevelt Savings Bank, combined with her extensive experience in the insurance industry, risk management and leadership skills, knowledge of our market, and sensitivity to the economy, brings valuable insight and individual qualities to our Board in furtherance of the Board s objective of maintaining a membership of experienced and dedicated individuals with diverse backgrounds, perspectives, skills, and other qualities that are beneficial to the Company.

Hanif Wally Dahya. Mr. Dahya is the Chief Executive Officer of The Y Company LLC, a private investment firm that focuses on emerging-market companies in the information, communications, financial, and the environmental services industries. The company is involved in distressed assets in the emerging markets. Prior to forming The Y Company, Mr. Dahya spent fourteen years on Wall Street, having started his career in investment banking at E.F. Hutton and Co., Inc. Thereafter, Mr. Dahya was Managing Director at L.F. Rothschild Co. Inc., headed the Mortgage-Backed Securities Group at UBS Securities Inc., and was a partner at Sandler O Neill + Partners LLC.

Mr. Dahya is a graduate of Harvard Business School and attained his undergraduate degree at Loughborough University of Technology in the United Kingdom. With his extensive financial experience in investments, capital markets, asset liability management, emerging markets, real estate, and bank and thrift investments, Mr. Dahya provides the Board with valuable insight on these and others matters that are beneficial to the Company in furtherance of the Board s objective of maintaining a membership of experienced and dedicated individuals with diverse backgrounds, perspectives, skills, and other qualities that are beneficial to the Company.

Robert S. Farrell. Mr. Farrell is President of H.S. Farrell, Inc., a Staten Island-based building supply company. Mr. Farrell brings to the Board years of business leadership and management experience from having served as President of his building supply business, thereby providing him a unique perspective on many management concerns, economic issues, and sensitivity to the New York real estate market. This unique perspective, coupled with 37 years of combined experience serving as a member of the boards of Richmond County Financial Corp., Richmond County Savings Bank, the Company, and its subsidiary Banks, provides the Board with valuable insight in furtherance of the Board s objective of maintaining a membership of experienced and dedicated individuals with diverse backgrounds, perspectives, skills, and other qualities that are beneficial to the Company.

Joseph R. Ficalora. Mr. Ficalora has been President and Chief Executive Officer and a Director of the Company since its inception on July 20, 1993, and Chief Executive Officer of the Community Bank and Commercial Bank since January 1, 1994 and December 30, 2005, respectively. On January 1, 2007, Mr. Ficalora was appointed Chairman of the Board of the Company and the Banks, a position he held until December 21, 2010. In addition, Mr. Ficalora has served as President of the Commercial Bank since its inception on December 30, 2005.

Since 1965, when he joined the Bank, Mr. Ficalora has held increasingly responsible positions, crossing all lines of its operations. Prior to his appointment to President and Chief Executive Officer in 1994, Mr. Ficalora had served as President and Chief Operating Officer of the Bank beginning in October 1989 and previously as Executive Vice President, Comptroller, and Secretary.

A graduate of Pace University with a degree in business and finance, Mr. Ficalora provides leadership to several professional banking organizations. He was recently elected to the Board of Directors of the American Bankers Association (ABA), and serves on its American Bankers Council as well as its Budget Committee. A director of the New York Bankers Association (NYBA) and Chairman of its Metropolitan Area Division, Mr. Ficalora also serves on the Boards of Directors of the Federal Home Loan Bank of New York, RSI Retirement Trust, and on the Boards of two active subsidiaries of the Company, Standard Funding Corp., a premium finance company, and Peter B. Cannell & Co., Inc., an investment advisory firm. In addition, Mr. Ficalora is President of the Queens Borough Public Library and the Queens Library Foundation Board and serves on the boards of directors of the New York Hall of Science, New York Hospital-Queens, and Flushing Cemetery, and on the Advisory Council of the Queens Museum of Art. Mr. Ficalora is a former member of both the Thrift Institutions Advisory Council of the Federal Reserve Board in Washington and the Federal Reserve Bank of New York Thrift Institutions Advisory Panel.

Mr. Ficalora s experience in leading the Company and the Banks, his responsibilities for the strategic direction and management of the Company s day-to-day operations, and his roles on the Boards of the aforementioned professional banking organizations and advisory councils bring broad industry and specific institutional knowledge and experience to the Board.

Michael J. Levine, C.P.A. Mr. Levine is the President of Norse Realty Group, Inc. and Affiliates as well as a certified public accountant with the firm Levine & Schmutter. With his years of financial and managerial experience, Mr. Levine brings to the Board of Directors demonstrated management ability and fiscal responsibility at a senior level and an extensive knowledge of our lending business, including the New York real estate market. In addition, as President of the Norse Realty Group, Inc. and Affiliates, Mr. Levine has insight into the operational requirements of a large company. Finally, as a certified public accountant and Chairman of the Board s Audit Committee and Risk Assessment Management Committee, Mr. Levine has valuable experience in dealing with accounting principles, financial reporting rules, and regulations; evaluating financial results; and overseeing the financial reporting process of a large corporation.

The Honorable Guy V. Molinari. A well known leader on Staten Island, Mr. Molinari served as Richmond County Borough President from 1989 through 2001; as United States Congressman from 1981 to 1989; and as New York State Assemblyman from 1975 through 1980. In addition, he served as Chairman of the Federal Home Loan Bank of New York from 1990 to 1994. Mr. Molinari has been the Managing Partner of The Molinari Group, a legal consulting firm, since December 2002, and Of Counsel to the law firm of Russo Scamardella & D Amato since December 2002. With his extensive experience in the legal field, local and national government, and his intimate familiarity with significant portions of our market area, Mr. Molinari brings a unique perspective to the Board on both legal and governmental issues, and provides valuable regulatory and risk management insight to the Board.

James J. O Donovan. From October 31, 2003 through January 31, 2005, Mr. O Donovan served as Senior Executive Vice President and Chief Lending Officer of the Company and New York Community Bank, having previously held the titles of Executive Vice President from 2000 and Senior Vice President from 1987. A senior lending consultant to the Company and the Community Bank since February 1, 2005, Mr. O Donovan continues to be active in the Company s lending activities today.

Mr. O Donovan s experience as a former executive officer of the Company and current Chairman of the Mortgage and Real Estate Committee of the Community Bank Board not only brings valuable management and leadership skills, extensive industry knowledge, and business experience to the Board, but also a beneficial insight in overseeing critical matters to the Company s lending businesses. Mr. O Donovan s experience and contributions furthers the Board s objective of maintaining a membership of experienced and dedicated individuals with diverse backgrounds, perspectives, skills, and other qualities that are beneficial to the Company.

John M. Tsimbinos. As the former Chairman of the Board, Chief Executive Officer, and President of Roslyn Bancorp, Inc. Roosevelt Savings Bank, and TR Financial Corp., Mr. Tsimbinos offers a wealth of management experience, business understanding, and knowledge of banking regulations along with a deep understanding of the role of the Board of Directors. Mr. Tsimbinos prior experience as a senior executive officer of a publicly traded bank holding company also has given him front-line exposure to many of the issues facing the Company as well as extensive valuable experience in overseeing, among other matters, the Company s banking business.

Business Experience of Executive Officers

Thomas R. Cangemi. Senior Executive Vice President and Chief Financial Officer of the Company and the Community Bank since April 5, 2005, and Senior Executive Vice President and Chief Financial Officer of the Commercial Bank from December 30, 2005; Senior Executive Vice President, Capital Markets Group of the Company and the Community Bank from October 31, 2003 to April 5, 2005; Executive Vice President, Capital Markets Group of the Company and the Community Bank from July 31, 2001 to October 31, 2003; Executive Vice President and Chief Financial Officer of Richmond County Financial Corp. and Richmond County Savings Bank from October 1997 to July 2001.

James J. Carpenter. Senior Executive Vice President and Chief Lending Officer of the Company and the Community Bank since January 1, 2006, and Senior Executive Vice President of the Commercial Bank from December 30, 2005; Executive Vice President and Chief Lending Officer of the Community Bank from February 1, 2005 to December 31, 2005; Executive Vice President and Assistant Chief Lending Officer of the Community Bank from January 1, 2003 to February 1, 2005; Senior Vice President, Mortgage Lending Officer of the Community Bank from November 30, 2000 to January 1, 2003; Senior Vice President responsible for Multi-Family and Commercial Real Estate Lending for Haven Bancorp, Inc. and CFS Bank prior to November 30, 2000.

John J. Pinto. Executive Vice President and Chief Accounting Officer of the Company since April 5, 2005; Executive Vice President of the Community Bank from January 1, 2006, and Executive Vice President of the Commercial Bank from December 30, 2005; Executive Vice President and Chief Accounting Officer of the Community Bank from April 5, 2005 to December 31, 2005; First Senior Vice President and Assistant Director of Capital Markets of the Community Bank from November 1, 2003 to April 5, 2005; Senior Vice President and Assistant Director of Capital Markets of the Community Bank from July 31, 2001 to October 31, 2003; Senior Vice President and General Auditor of Richmond County Financial Corp. and Richmond County Savings Bank prior to July 31, 2001.

Meetings and Committees of the Board of Directors

The Board of Directors of the Company conducts its business through periodic meetings and through the activities of its committees. In 2010, the Board held twelve (12) meetings. Each director of the Company attended at least 75% of the aggregate number of meetings of the Board and committees on which such director served during fiscal year 2010. Board members are expected to make reasonable efforts to attend all Board meetings and all meetings of the Board committees on which they serve. Absences are excused only for good cause. The following describes the nature and composition of the Audit Committee, Nominating and Corporate Governance Committee, and Compensation Committee of the Board of Directors.

Audit Committee. The Audit Committee of the Board consists of Messrs. Levine (Chairman), Kupferberg, Farrell, Frederick, and Ciampa, all of whom meet the independence criteria for audit committee members in accordance with the listing standards of the New York Stock Exchange and the rules of the SEC. Mr. Ciampa is an *ex officio* member of the Audit Committee. The Board of Directors has determined that Mr. Levine is an audit committee financial expert under the rules of the SEC. The purpose of the Audit Committee is to assist the Board in fulfilling its oversight responsibilities, including with respect to review and, as applicable, approval of (1) the integrity of the Company s financial statements; (2) the Company s compliance with applicable legal and regulatory requirements; (3) the independent registered public accounting firm s qualifications and independence; (4) the performance of the Company s internal audit function and independent auditors; (5) the system of internal controls relating to financial reporting, accounting, legal compliance, and ethics established by management and the Board; and (6) the Company s internal and external auditing processes. This Committee meets with the Company s and the Community and Commercial Bank s internal auditors to review the performance of the internal audit function. The Audit Committee met twelve (12) times in 2010. A detailed list of the Committee s functions is included in its written charter adopted by the Board of Directors, a copy of which is available free of charge on the corporate governance pages of our website at www.myNYCB.com and is available in print to any shareholder who requests a copy.

Nominating and Corporate Governance Committee. The Company s Nominating and Corporate Governance Committee consists of Messrs. Levine (Chairman), Dahya, Farrell, Kupferberg, Molinari, and Tsimbinos, Ms. Clancy, and Dr. Frederick, all of whom are independent in accordance with the listing standards of the New York Stock Exchange. The Committee considers and recommends the nominees for director to stand for election at the Company s Annual Meeting of Shareholders.

In evaluating and recommending nominees for positions on the Board of Directors, the Nominating and Corporate Governance Committee may, but is not required to, consider nominees proposed by management, and will also consider nominees recommended by shareholders. Upon receipt of a nomination, the Committee evaluates candidates based on, among other things, criteria identified by the Board from time to time, including factors relative to the overall composition of the Board and such other factors as the Committee deems appropriate, such as a potential candidate s business experience, specific areas of expertise, skill, and background. When identifying nominees to serve as director, the Nominating and Corporate Governance Committee seeks to create a Board that is strong in its collective knowledge and has a diversity of skills and experience with respect to accounting and finance, management and leadership, vision and strategy, business operations, business judgment, industry knowledge, and corporate governance. Upon approval of a nominee, the Nominating and Corporate Governance Committee recommends that the Board select such candidate for appointment to fill a vacancy and/or for nomination to be elected by the shareholders. The procedures to be followed by shareholders in recommending director candidates to the Nominating and Corporate Governance Committee are included in this proxy statement. See *Corporate Governance Procedures to be Followed by Shareholders in Recommending Director Candidates*.

The Nominating and Corporate Governance Committee held two (2) meetings during 2010. The Nominating and Corporate Governance Committee acts under a written charter adopted by the Board of Directors, a copy of which is available, free of charge, on the corporate governance pages of the Company s website at www.myNYCB.com, and is available in print to any shareholder who requests a copy.

Compensation Committee. The Compensation Committee of the Board of Directors consists of Ms. Clancy (Chairperson), Messrs. Kupferberg, Farrell, and Levine, all of whom are independent in accordance with the listing standards of the New York Stock Exchange, and Mr. Ciampa, who is an *ex officio* member of the Committee. This committee meets to establish compensation for the executive officers and to review the Company s incentive compensation programs when necessary. See *Compensation Discussion and Analysis* for further information on the Company s processes and procedures for the consideration and determination of executive and director compensation. The Compensation Committee met five (5) times in 2010, including two executive sessions attended by Committee members only. The Compensation Committee acts under a written charter adopted by the Board of Directors, a copy of which is available, free of charge, on the corporate governance pages of the Company s website at www.myNYCB.com, and is available in print to any shareholder who requests a copy.

Attendance at Annual Meetings. The Board of Directors expects all directors to attend the Annual Meeting of Shareholders. All of the current Board members attended the 2010 Annual Meeting of Shareholders held on June 3, 2010.

Directors Compensation

The following table provides details of the compensation received by non-employee directors of the Company during the 2010 fiscal year. Directors who are also employees do not receive separate compensation for service on the Board. The table excludes perquisites, which did not exceed $10,000 in the aggregate for any director.

Non-employee Directors	Fees Earned or Paid in Cash ($)	All Other Compensation ($)(1)	Total ($)
Donald M. Blake(2)	153,000	168	153,168
Dominick Ciampa	204,000	168	204,168
Maureen E. Clancy	87,500	168	87,668
Hanif Dahya	120,500	9,418	129,918
Robert S. Farrell	98,000	168	98,168
William C. Frederick, MD	85,000	168	85,168
Max L. Kupferberg	183,500	168	183,668
Michael J. Levine	288,600	8,168	296,768
Hon. Guy V. Molinari	83,000	1,043	84,043
John M. Tsimbinos	186,300	168	186,468

(1) For all directors, except Messrs. Dahya, Levine and Molinari, the reported amount represents premiums paid under certain life insurance policies maintained by the Company for the benefit of each of the Directors. For Messrs. Dahya, Levine and Molinari, the reported amount includes life insurance premiums ($168) and dividends received on unvested restricted stock as follows: Mr. Dahya ($9,250), Mr. Levine ($8,000), and Mr. Molinari ($875).

(2) Mr. Blake retired from the Board of the Company in February 2011.

Director Fees. In 2010, non-employee directors of the Company received an annual retainer of $46,000 and a fee of $2,500 per Board meeting attended. Non-employee directors also received fees ranging from $500 to $1,500 for each committee meeting attended. Committee chairpersons receive fees ranging from $1,000 to $10,000 per meeting. The Chairman of the Audit Committee also receives an annual retainer of $20,000 for his service in such capacity. Additionally, members of the Mortgage and Real Estate Committee of the Community Bank Board of Directors or the Credit Committee of the Commercial Bank Board of Directors who perform inspections of properties offered as security for the respective Banks loans, in accordance with the Community Bank s and Commercial Bank s lending policies, also receive a fee of $1,200 per half-day inspection and $1,800 per full-day inspection.

Directors Deferred Fee Plan. The Community Bank maintains a deferred fee stock unit plan to provide an opportunity for those members of the Board of Directors of the Community Bank who were active in such capacity on the effective date of the plan to defer the receipt of fees otherwise currently payable to them, in exchange for the receipt (at the time they cease to serve as directors) of shares of the Company s Common Stock having a value equal to the amount of such deferred benefit, thus providing the Community Bank with the use of the funds for business activities. The deferral of fees under the plan applies to all fees received by directors, including regular meeting fees, special meeting fees, and committee fees.

Outside Directors Consultation and Retirement Plan. The Community Bank maintains the Outside Directors Consultation and Retirement Plan to provide benefits to certain outside directors who served on the board of Queens County Savings Bank to ensure their continued service and assistance in the conduct of the Community Bank s business. Under the plan, a director who is not currently an officer or employee of the Community Bank and who has served as a director for at least ten (10) years (with credit given for prior service as a trustee of the Community Bank), has attained the age of 65, and agrees to provide continuing consulting services to the Community Bank, will be eligible, upon retirement, to receive an annual benefit equal to the average of the director s annual retainer and meeting fees over the 36-month period preceding the director s termination date, for a period equal to the lesser of the number of months for which such director agrees to provide consulting services after retirement, or ten years. The plan is unfunded. Directors Ciampa and Kupferberg are the only current directors who participate in this plan.

Life Insurance. The Company provides group-term life insurance coverage for non-employee directors of the Banks and the Company.

Director Stock Compensation. Non-employee directors also participate from time to time in the Company s stock compensation programs. However, no awards were made to non-employee directors in 2010.

Compensation Committee Interlocks and Insider Participation. No executive officer of the Company, the Community Bank, or the Commercial Bank serves, or has served, as a member of the compensation committee of another entity, one of whose executive officers serves on the Compensation Committee of the Company, the Community Bank, or the Commercial Bank. No executive officer of the Company, the Community Bank, or the Commercial Bank serves, or has served, as a director of another entity, one of whose executive officers serves on the Compensation Committee of the Company, the Community Bank, or the Commercial Bank.

Compensation Discussion and Analysis

We are pleased to provide our shareholders with an overview and analysis of the compensation programs in which the following executive officers (our named executive officers) participate and the process we use to make specific compensation decisions for our named executive officers:

Joseph R. Ficalora, President and Chief Executive Officer;

Robert Wann, Senior Executive Vice President and Chief Operating Officer;

Thomas R. Cangemi, Senior Executive Vice President and Chief Financial Officer;

James J. Carpenter, Senior Executive Vice President and Chief Lending Officer; and

John J. Pinto, Executive Vice President and Chief Accounting Officer.

Our Company in 2010

The Company has been, and remains, one of the highest performing companies in the industry generally, and relative to its peer group. Although 2010 continued the pattern of recent years for many financial institutions that faced the challenges of a difficult operating environment, the Company delivered a strong financial performance in 2010 highlighted by strong revenue growth, greater efficiency, substantially higher loan production, above-average asset quality, and increased capital strength. In the face of continuing economic weakness, further declines in real estate values, an increase in deposit insurance premiums, and considerable regulatory uncertainty, our 2010 performance solidified our position as a strong and profitable financial institution that ranks among the nation s largest and enjoys a brand that is well regarded in the markets we serve. As of December 31, 2010, the Company had $41.2 billion in assets and a market capitalization in excess of $8 billion.

The following were among the financial highlights of the Company s 2010 performance:

35.7% increase in earnings and a 9.7% increase in diluted earnings per share;

33 basis point increase in our net interest margin to 3.45%;

27.6% increase in loan originations for the Company s portfolio, including a 31.6% increase in multi-family loan originations; and

$159.3 million increase in stockholders equity to $5.5 billion.

The following were among the key factors that influenced our 2010 performance:

- We received the full-year benefit of our FDIC-assisted acquisition of AmTrust Bank and the nine-month benefit of our FDIC-assisted acquisition of Desert Hills Bank, which expanded our Arizona presence.

- We received the full-year benefit of the operation of our Cleveland-based, mortgage banking platform, which ranks among the nation s top 20 wholesale aggregators of one-to-four family loans.

- We experienced a significant decline in losses on the other-than-temporary impairment of securities, or OTTI.

- Non-performing non-covered assets represented 1.58% of total assets; and net charge-offs represented a modest 0.21% of average loans.

2010 Executive Compensation Highlights

The results of our 2010 executive compensation program reflected our success in a difficult operating environment as our executive management team continued to implement our time-tested business model and take advantage of unique opportunities to expand our franchise. The leadership of our President and Chief Executive Officer, Joseph R. Ficalora, was crucial to our ability to implement our strategic plan. His efforts, along with those of the other members of our talented executive management team, were a key element of our success in 2010.

The following are the highlights of our 2010 executive compensation program:

- The Compensation Committee updated our performance metrics applicable to 2010 short- and long-term incentive awards to ensure that our measures continue to support operational matters which are critical in the current economic environment and reflect sound risk management: (i) efficiency ratio, (ii) net loan charge-offs as a percentage of average loans; and (iii) Tier 1 capital ratio.

- Based on our strong performance relative to our peers, our named executive officers were eligible to receive short- and long-term incentive awards at the maximum of the range of incentive compensation opportunities established by the Compensation Committee. However, the levels of actual awards paid reflect downward adjustments, based on the Committee s consideration of the current business and economic environment.

- All long-term incentive awards were made in the form of restricted stock that vests over a five-year period. We believe this structure encourages our executives to have an ownership perspective aligned with the long-term interests of our shareholders while also ensuring retention of our executive team through a multi-year vesting schedule.

- Consistent with our long-standing emphasis on variable pay, and our practice of infrequent adjustments to base salary, our named executive officers did not receive base salary increases in 2010. In March 2011, for the first time in three years, the Committee authorized salary increases averaging seven percent for named executive officers, other than the President and Chief Executive Officer, who specifically declined a salary increase to maintain the share of his 2011 total compensation that will be determined by Company performance. Salary increases for the other named executive officers were intended to recognize individual performance and maintain a competitive balance relative to the peer group.

- The Compensation Committee updated the peer group we use to provide a benchmark for our executive compensation review and to evaluate our relative performance. The revised peer group reflects our recent growth and changes due to industry consolidation and the growth of our peers. The peer group was developed by the Committee s independent compensation consultant.

Our Compensation Philosophy

Our executive compensation philosophy is based on four guiding principles:

Meeting the Demands of the Market We compensate our named executive officers and other key members of our management team at competitive levels to position us as the employer of choice among our peers who provide similar financial services in the markets we serve.

Aligning with the Interests of Shareholders We use equity compensation as a key component of our compensation mix to develop and maintain a culture of ownership among our management team and to continuously align their individual financial interests with the interests of our shareholders.

Driving Performance We believe the largest share of the compensation of our named executive officers should depend on the performance of the Company, both on an annual basis and over the long-term.

Mitigating Risk We link incentive compensation to performance in a way that does not encourage unnecessary or excessive risk, and we ensure that the structure of our incentive compensation program is consistent with effective controls and strong corporate governance.

Our philosophy is based on the premise that the success of the Company depends, in large part, on the dedication and commitment of the people we place in key operating positions to drive our business model. Accordingly, we provide the members of our management team with incentives that are tied to the successful implementation of our corporate strategies and reflect our performance relative to industry peers. At the same time, we recognize that the Company operates in a competitive environment for talent. To enable us to compare favorably with our peers as we seek to attract and retain key personnel, we employ a balanced mix of compensation techniques that enable us to achieve our pay-for-performance goals and ensure appropriate risk-mitigation strategies.

The decisions we make with regard to compensation for our key personnel serve a three-fold purpose: to communicate our objectives with regard to the Company s performance, to influence the decisions they make, and to reward them when we achieve specific results. We believe that communicating the basis upon which each member of management s performance will be evaluated creates accountability for individual performance within the structure of our business plan.

Components of Executive Compensation

Our compensation program relies on three primary components: (i) base compensation, (ii) equity-based, long-term incentive compensation, and (iii) cash-based, short-term incentive compensation. We meet the objectives of our compensation philosophy by achieving a balance among these three elements that is competitive with our industry peers and creates appropriate incentives for our management team to drive long-term, sustained performance that ultimately delivers value to our shareholders. We structure the mix of total compensation to provide a greater focus on rewards that are performance-based (i.e., annual and long-term incentives), with a greater weight focused on long-term incentives that reward the kind of sustained performance that delivers value to our shareholders. Over the last two years, our program has successfully targeted this balance in the mix of total compensation, producing results, on average, within the following parameters:

	Base Compensation	Annual Cash Incentives	Long-Term Equity Incentives
Chief Executive Officer	21%	24%	55%
Chief Operating Officer	30%	27%	43%
Other Named Executive Officers	35%	17%	48%

To achieve the necessary balance, our Compensation Committee works closely with a nationally recognized, independent compensation consulting firm who provides us with their expertise on competitive compensation practice, and helps us to benchmark our compensation program to our peers, identify best practices in our sector, and analyze our pay-for-performance results.

Base Compensation. Our named executive officers receive base salaries at levels that reflect the role, scope, and complexity of their specific positions. The salaries of our named executive officers are reviewed at least annually to reflect their performance, to evaluate our competitive position on base pay, and to make any necessary adjustments. However, our emphasis on variable pay has resulted in relatively infrequent salary adjustments for our named executive officers. Our goal is to maintain salary levels for our named executive officers at a level that is generally consistent with base pay received by those in comparable positions at our peer companies and reflects their individual performance, experience, and contributions. Base salaries reflect the fixed portion of our total compensation and the foundation off which our other compensation components are based. As part of our salary review process, we obtain peer group information from a variety of sources, including our independent compensation consultant, to serve as reference for our decisions.

Long-Term Equity-Based Compensation. The use of long-term equity-based compensation as a component of our executive compensation program has been a consistent feature throughout our history as a public company. We have long believed, and we continue to believe, that equity compensation is the best means available to align the long-term financial interests of our key executives with those of our shareholders. In light of recent regulatory influences, we also support the premise that executives with long-term incentives are aligned best with the time horizon of the risk associated with our business. We use our equity-based compensation program to reward our executives for their outstanding performance and their ability to create and sustain long-term shareholder value. By increasing the equity holdings of our management team, we provide them with a continuing stake in our long-term success, which further aligns their interests with those of our shareholders and serves as a powerful retention factor.

Long-term incentive awards are made pursuant to our 2006 Stock Incentive Plan which was approved by shareholders in 2006. The nature and size of awards under our equity compensation programs are determined by a number of factors, including peer and market practice, our philosophy of providing greater emphasis on equity/long-term compensation, and the tax and accounting treatment of specific equity compensation techniques. Our stock plan takes an omnibus approach to equity compensation, providing us with the flexibility to use a variety of compensation techniques as appropriate to meet our desired philosophy. In 2010, we continued our approach to provide stock award grants that focus and reward management for the attainment of financial goals relative to our peer group.

Short-Term Cash-Based Incentive Compensation. Our compensation strategy is based on the principle that a meaningful share of our senior executives total direct compensation (the sum of annual cash and equity compensation) should be attributable to variable pay. We implement this strategy, in part, by providing our named executive officers with an annual cash-based incentive opportunity under our Management Incentive Compensation Plan (MICP), which rewards the attainment of annual company-wide financial objectives relative to our peer group. The Compensation Committee has the opportunity to adjust actual bonuses paid based upon individual performance, relative to the specific tasks we expect our key personnel to accomplish during the year. The MICP specifies a balance of financial and risk-based metrics that we use to compare our performance relative to our peers.

Our objective is to drive annual performance on both a company and individual basis to the highest attainable levels by establishing threshold, target, and maximum goals tied to increasing levels of incentive compensation. We may also establish individual performance objectives in connection with short-term cash incentive opportunities. Individual objectives are evaluated by considering actual results against specific targeted objectives, whether the objective represented a significant stretch for the individual and the organization, and whether unanticipated circumstances, either positive or negative, affected the outcome. In general, our intent is to provide specific awards based upon predetermined objectives, although the Compensation Committee may exercise negative discretion in the final determination of awards. Under the MICP, in appropriate circumstances, the Compensation Committee may take into account external or extraordinary factors that influenced or affected a specific outcome, whether relating to a corporate or individual target, and make adjustments that reflect an equitable result. However, under the MICP, the Compensation Committee may only make downward adjustments to the award. The Compensation Committee also retains the right to provide cash awards to our named executive officers and other key personnel outside the MICP.

Benchmarking and Peer Group Analysis

A critical element of our compensation philosophy, and a key driver of specific compensation decisions for our executive team, is a comparative analysis of our financial performance and our compensation mix and levels relative to a peer group of publicly traded financial institutions. Key guiding principles of our compensation philosophy are to ensure proper alignment between our performance and compensation relative to peers and to enable us to attract and retain top talent by providing competitive and appropriate compensation. To monitor our programs and decisions, we annually benchmark our performance against that of our peers to assess the reasonableness of our compensation, ensure proper pay-performance alignment, and establish total compensation opportunities for our named executive officers. Our peer group is selected with the assistance of our independent compensation consultant and reflects commercial banks and thrifts in the continental United States approximating one-half to 2.5 times our asset size (with a median of approximately $50 billion in assets). Below are the 15 financial institutions meeting that criteria that were used as our peer group for 2010:

Associated Banc-Corp. (WI)	***KeyCorp (OH)***
Astoria Financial Corporation (NY)	***M&T Bank Corporation (NY)***
BOK Financial Corporation (OK)	***Marshall & Ilsley Corporation (WI)***
City National Corporation (CA)	***Northern Trust Corporation (IL)***
Comerica Incorporated (TX)	***Peoples United Financial, Inc. (CT)***
First Horizon National Corporation (TN)	***Synovus Financial Corp. (GA)***
Hudson City Bancorp, Inc. (NJ)	***Zions Bancorporation (UT)***
Huntington Bancshares, Incorporated (OH)	

The peer group is reviewed and updated annually by the Committee s consultant and may change as a result of the Company s own growth, industry consolidation, and changes in a peer company s business focus or condition.

In addition to our consideration of specific peer group information, we consult with a variety of broad-based published compensation surveys that are either industry-specific or geographically relevant to our operations. These surveys include financial institutions of similar size.

Role of the Compensation Committee

The Compensation Committee of the Board of Directors is responsible for discharging the Board s duties in executive compensation matters. The Committee develops the broad outline of our compensation program and monitors the success of the program in achieving the objectives of our compensation philosophy. The Committee, which in 2010 consisted exclusively of five independent directors, is also responsible for the administration of our compensation programs and policies, including the administration of our cash and equity incentive programs. The Compensation Committee exercises independent discretion in the determination of executive compensation but may seek input from other Board members, consultants, and advisors.

The Committee operates under the mandate of a formal charter that establishes a framework for the fulfillment of the Committee s responsibilities. The Committee and the Board review the charter at least annually to ensure that it is consistent with the Committee s expected role. Under the charter, the Committee is charged with general responsibility for the oversight and administration of our executive compensation program. The charter vests in the Committee principal responsibility for determining the compensation of the Chief Executive

Officer based on the Committee s evaluation of his performance. The charter also authorizes the Committee to engage consultants and other professionals without management approval to the extent deemed necessary to discharge its responsibilities.

During 2010, the Compensation Committee met five times, including two executive sessions attended by Committee members only. The members of the Committee in 2010 were Director Donald M. Blake (who served as Committee Chairman), and Directors Clancy, Farrell, Kupferberg and Levine. Mr. Blake retired as a Director in February 2011 and Ms. Clancy now serves as Committee Chair. In addition, Mr. Ciampa now serves as an *ex officio* member of the Committee.

Role of the Compensation Consultant

The Compensation Committee has sole authority to retain and terminate a compensation consultant and to approve the consultant s fees and all other terms of the engagement. Since 2005, the Compensation Committee has engaged independent compensation consulting firm Pearl Meyer & Partners (PM&P) to benchmark our compensation and performance against our peers and provide expertise in structuring our executive compensation program. From time to time, the Committee also reviews with PM&P developments and trends in the compensation area to ensure that our program is consistent with prevailing practice in our industry. During 2010, PM&P s services included conducting a comprehensive competitive benchmark review and peer group performance analysis, and analyzing our performance relative to the peer group for the Compensation Committee s incentive plan determination. PM&P did not provide any other services to management or the Company.

Role of Management

Although the Committee is ultimately responsible for executive compensation decisions, information and input from Mr. Ficalora, our President and Chief Executive Officer, is critical to ensuring the Committee and its advisors have the information needed to make informed decisions. Mr. Ficalora provides insight, suggestions, and recommendations regarding executive compensation. The recommendations consider the objectives of our compensation philosophy and the range of compensation programs authorized by the Compensation Committee. Mr. Ficalora meets with the Compensation Committee to discuss the recommendations and also reviews with the Committee his recommendations concerning the compensation of other named executive officers. Although our Chief Executive Officer may provide input on his own compensation, during 2010, he did not, consistent with long-standing practice, participate in Committee discussions relating to the determination of his compensation. In such instances, Mr. Ficalora left the meeting to provide an independent opportunity for the Committee to review and discuss his compensation with PM&P.

Perspectives on 2010 Executive Compensation

Overview

In March 2011, our independent compensation consultant provided the Compensation Committee with an analysis of our performance as compared to our peers for the purposes of determining incentive awards. The report was presented to the Compensation Committee and used in finalizing cash and equity awards for the named executive officers.

In April 2011, PM&P conducted a detailed compensation analysis benchmarking our pay levels and pay-for-performance relationship compared to our peers for 2010. The goal of the review was to determine whether our variable pay strategy is successful, i.e., to determine how the Company s performance is affecting the compensation of our named executive officers, and how the incentives we provide them with are affecting the Company s performance.

Overall, the review confirmed our status as the highest performing company among our peers, considering total shareholder return over the period 2008-2010. Looking solely at 2010, and the three performance metrics selected by the Committee for our 2010 incentive program, we ranked second, on average, among the 15 companies in our peer group.

The Company s status as a high performer was directly reflected in the compensation levels of our named executive officers. Our assessment compared our three-year total shareholder return and our Chief Executive Officer s total compensation to our peers. The results demonstrated that our three-year total shareholder return exceeded the returns provided by each of our peers and our Chief Executive Officer was the fifth highest paid. For 2010, on a total compensation basis (cash and equity compensation), our named executive officers ranked in the 63rd percentile among our 15 peers, and on a cash compensation basis, our named executive officers ranked in the 75th percentile.

We believe these statistics highlight the success of our pay-for-performance strategy, demonstrating that the compensation of our named executive officers, which is significantly weighted toward variable pay, compares very favorably to the peer group because the Company s performance has consistently ranked at or near the top of the peer group whether we compare to our specified incentive goals, general financial measures, and/or total shareholder return. We believe the review clearly supports the conclusion that our strategy is working and that the compensation of our named executive officers is at a level aligned with our high performance, and appropriately positioned based on our performance relative to the performance of our peers.

2010 Base Compensation Decisions

Consistent with our objective of increasing the share of variable pay in the total compensation of our named executive officers, the Committee did not increase the 2010 base compensation levels for our Chief Executive Officer and our other named executive officers. The Committee determined, however, that base salaries remained competitive with the Company s peers and consistent with each officer s level of responsibility.

2010 Incentive Compensation Awards

Our Chief Executive Officer and other named executive officers were all eligible to receive incentive compensation awards in 2010. In 2010, as in prior years, the Committee established specific performance metrics for our short-term cash-based incentive compensation program and our long-term equity-based compensation program that are consistent with the objectives of our business strategy and desire to reinforce sound risk management practices. For 2010, our performance metrics were the Company s (i) efficiency ratio, (ii) net charge-offs as a percentage of average loans; and (iii) Tier 1 capital ratio (core capital as a percentage of risk-adjusted assets), and our performance was assessed based on how we performed relative to our peers. We believe this is the best means for assessing our performance since it is objective, and compares us equally with other similar companies. In recent years, the selected metrics had included, in addition to the efficiency ratio, (i) return on tangible equity calculated by reference to operating income and (ii) non-performing assets as a percentage of total assets. However, for 2010, the Committee adjusted the performance metrics to include measures that related more closely to key operational concerns in the current banking environment.

Specific award opportunities for the short-term and long-term awards were expressed as a percentage of base pay for each executive based on competitive market practice and our own philosophy of placing a significant focus on incentives, particularly in the form of long-term/equity compensation. The following tables illustrate the award opportunities for our named executive officers, expressed as a percentage of 2010 base compensation, over the indicated range of performance:

2010 Short-Term Cash-Based Incentive Compensation Award Opportunities

	Threshold	Target	Maximum
Mr. Ficalora	25%	100%	150%
Mr. Wann	18.75%	75%	112.5%
Mr. Cangemi	12.5%	50%	75%
Mr. Carpenter	12.5%	50%	75%
Mr. Pinto	12.5%	50%	75%

2010 Long-Term Equity Incentive Compensation Award Opportunities

	Threshold	Target	Maximum
Mr. Ficalora	44%	175%	263%
Mr. Wann	25%	100%	150%
Mr. Cangemi	25%	100%	150%
Mr. Carpenter	25%	100%	150%
Mr. Pinto	25%	100%	150%

At the end of the performance year, the Committee reviews the Company s average percentile rank of the designated performance metrics compared to the peer group. In order to achieve a threshold award, performance must exceed the 25th percentile of the peer group average; target awards reflect performance at the 50th percentile of the peer group average; and maximum awards require a rank that exceeds the 75th percentile of the peer group average performance.

In March 2011, PM&P independently reviewed our 2010 results against our peer group to determine our rank on a percentile basis for the three designated performance metrics. Based on this review, our performance ranked second among our peers on average (i.e., the 93rd percentile of the peer group average for the three measures). With respect to our peer ranking on each individual metric, we ranked first on net charge-offs, sixth on Tier 1 capital ratio, and second on efficiency ratio. Accordingly, with respect to both our cash- and equity-based incentive compensation programs, our Chief Executive Officer and other named executive officers were eligible for awards at the maximum of the range. Upon consideration of the foregoing, the Committee authorized awards for each named executive officer at levels between the target and maximum award opportunities under the short-term cash-based incentive program and slightly below the maximum award opportunity under the long-term equity based award program. The value of specific awards for Mr. Ficalora and the other named executive officers are detailed in the *Summary Compensation* and the *Grants of Plan-Based Awards* tables on pages 23 and 24. All equity awards were made in the form of restricted stock grants with vesting over a five-year period.

The following table indicates the value of each named executive officer s actual 2010 awards as a percentage of their 2010 base compensation:

Value of Actual Awards as a Percentage of 2010 Base Compensation

	Short-Term Cash Incentive Award	Long-Term Equity Incentive Award(1)
Mr. Ficalora	125%	259%
Mr. Wann	107%	148%
Mr. Cangemi	71%	139%
Mr. Carpenter	60%	138%
Mr. Pinto	75%	146%

(1) Based on the closing price of the Company s common stock on the grant date, March 25, 2011.

In making these awards, the Committee specifically noted that the 2010 total direct compensation of the Company s named executive officers would generally rank each of them above the market median for officers with similar positions in the Company s peer group, and that this positioning was consistent with the Company s superior performance and, in the Company s belief, validated the Company s pay-for-performance philosophy.

<u>Other Executive Benefits</u>

Post-Employment Arrangements

We recognize that an important consideration in our ability to attract and retain key executives is our ability to minimize the impact on our management team of the possible disruption associated with our analysis of strategic opportunities. Accordingly, we believe that it is in the best interest of the Company and its shareholders

to provide our key executives with reasonable financial arrangements in the event of termination of employment. At present, all of our named executive officers are covered by employment agreements providing specified severance benefits and benefit continuation in the event of their termination without cause or for good reason, disability, and after a change in control. No severance benefits are payable if the executive is terminated for cause or upon the executive s voluntary termination of employment. The Compensation Committee periodically reviews the terms of the agreements. For additional information regarding these employment agreements, see *Potential Post-Termination Payments and Benefits*, following the *Summary Compensation Table*.

Retirement Benefits; Employee Welfare Benefits

Our principal retirement savings vehicle is our Employee Stock Ownership Plan (ESOP). Since our initial public offering in 1993, the ESOP has been a significant source of retirement savings for all our employees, including our named executive officers. The ESOP has also fostered a strong sense among our employees that they are owners with a vested interest in the success of the Company. We also offer our employees a 401(k) plan that enables them to supplement their retirement savings with elective deferral contributions. In addition, certain of our named executive officers are entitled to benefits at retirement under our tax-qualified pension plan and a related nonqualified excess benefits plan, both of which were frozen in 1999 and, following which, no additional benefits were accrued by the named executive officers.

Certain of our named executive officers participate in a supplemental retirement benefits plan that was established at the time of our initial public offering to provide benefits with respect to the ESOP that cannot be allocated as a result of applicable Internal Revenue Code limits. Although this plan was frozen in 1999, the plan would provide a restoration benefit to the participants in the event of a change in control. We do not currently offer our named executive officers any other active supplemental executive retirement benefits or other nonqualified deferred compensation programs. For additional information regarding the supplemental retirement benefits plan, see *Potential Post-Termination Payments and Benefits*, following the *Summary Compensation Table*.

In addition to retirement programs, we provide our employees, including our named executive officers, with coverage under medical, dental, life insurance, and disability plans on terms consistent with industry practice. We also provide employees with access to a Section 125 Plan to pay their share of the cost of such coverage on a pre-tax basis.

Perquisites; Tax Reimbursement

We provide our named executive officers with limited perquisites to further their ability to promote the business interests of the Company in our markets and to reflect competitive practices for similarly situated officers employed by our peers. The perquisites are reviewed periodically and adjusted as necessary. Our Compensation Committee has authorized additional cash payments to our named executive officers to assist them with meeting the tax withholding obligations arising out of the vesting of restricted stock granted in prior years. The Committee believes that these payments encourage the retention of the maximum possible amount of Company stock by these executives and that these payments are appropriate when considered as part of the named executive officers total compensation relative to the total compensation of similarly situated executives at peer companies.

<u>Other Considerations</u>

Tax and Accounting Considerations

In consultation with our advisors, we evaluate the tax and accounting treatment of each of our compensation programs at the time of adoption and on an annual basis to ensure that we understand the financial impact of each program on the Company. Our analysis includes a detailed review of recently adopted and pending changes in tax and accounting requirements. As part of our review, we consider modifications and/or alternatives to existing programs to take advantage of favorable changes in the tax or accounting environment or to avoid adverse consequences.

To preserve maximum flexibility in the design and implementation of our compensation program, we have not adopted a formal policy that requires all compensation to be tax deductible for purposes of Section 162(m) of the Internal Revenue Code of 1986, as amended, which limits the deductibility of certain compensation paid to our named executive officers. However, to the greatest extent possible, it is our intent to structure our compensation programs in a tax-efficient manner, and we are seeking shareholder re-approval of our principal performance-based incentive programs at the 2011 Annual Meeting to ensure the continuing qualification of those programs under Section 162(m). As currently structured and approved, our incentive programs meet the requirements of performance-based pay pursuant to Internal Revenue Code Section 162(m).

Equity Compensation Grant and Award Practices

Our Compensation Committee considers whether to make stock-based awards as part of their annual evaluation of the performance of our named executive officers. However, grants or awards may be made at other times during the year based on specific circumstances such as a new hire, a specific contractual commitment, or a change in position or responsibility. The Compensation Committee considers the recommendations of our Chief Executive Officer with respect to awards contemplated for other named executive officers. However, the Committee is solely responsible for the development of the schedule of grants or awards made to the Chief Executive Officer and the other named executive officers. As a general matter, the Compensation Committee s process is independent of any consideration of the timing of the release of material non-public information, including with respect to the determination of grant dates or stock option exercise prices. Similarly, the Company has never timed the release of material non-public information with the purpose or intent of affecting the value of executive compensation. In general, the release of such information reflects long-established timetables for the disclosure of material non-public information such as earnings releases or, with respect to other events reportable under federal securities laws, the applicable requirements of such laws with respect to the timing of disclosure.

The Company has not granted stock options in recent years. However, in prior periods, we set the exercise price of stock options solely as of the date of Committee action by reference to the applicable provisions of our equity compensation plans.

Stock Ownership Requirements

We have not adopted formal stock ownership requirements for our senior officers and Board members, as a practical matter, our officers and directors hold significant interests in our stock, which they have accumulated through individual purchases and participation in stock compensation programs. We expect our named executive officers to maintain a significant portion of their personal wealth in the Company s stock and, historically, our named executive officers have more than met this expectation.

Compensation Committee Report

The Compensation Committee has reviewed the foregoing Compensation Discussion and Analysis that is required by the rules established by the Securities and Exchange Commission, and has discussed it with management. Based on this review and the Committee s discussions, the Compensation Committee recommended to the Board of Directors that the foregoing *Compensation Discussion and Analysis* be included in this proxy statement.

The Compensation Committee

Maureen E. Clancy, Chair

Robert S. Farrell

Max L. Kupferberg

Michael J. Levine

Dominick Ciampa, *Ex Officio* Member

Summary Compensation Table

The following information is furnished for the Company s principal executive officer and principal financial officer and the next three highest compensated executive officers of the Company (the named executive officers) for the 2010 fiscal year.

Name and Principal Position	Year	Salary ($)	Bonus	Stock Awards (1) ($)	Non-Equity Incentive Plan Compensation (2) ($)	All Other Compensation (3) ($)	Total Compensation ($)
Joseph R. Ficalora	2010	1,000,000		2,587,500	1,250,000	763,183	5,600,683
President and Chief Executive Officer	2009	1,000,000		2,481,000	1,000,000	460,133	4,941,133
	2008	1,000,000		1,466,250		850,233	3,316,483
Robert Wann	2010	700,000		1,035,000	750,000	402,089	2,887,089
Senior Executive Vice President and Chief Operating Officer	2009	700,000		992,400	525,000	267,864	2,485,264
	2008	700,000		879,750		374,303	1,954,053
Thomas R. Cangemi	2010	560,000		776,250	400,000	307,949	2,044,199
Senior Executive Vice President and Chief Financial Officer	2009	560,000		793,920	280,000	227,796	1,861,716
	2008	560,000		645,150		165,182	1,370,332
James J. Carpenter	2010	500,000		690,000	300,000	267,430	1,757,430
Senior Executive Vice President	2009	500,000		694,680	250,000	209,423	1,654,103
and Chief Lending Officer	2008	500,000		586,500		157,412	1,243,912
John J. Pinto	2010	330,000		483,000	250,000	221,735	1,284,735
Executive Vice President and Chief Accounting Officer	2009	330,000		413,500	165,000	108,618	1,017,118
	2008	330,000		351,900		86,817	768,717

(1) In accordance with SEC disclosure requirements for equity compensation, the reported amount represents the full grant date fair value of each award calculated in accordance with FASB ASC Topic 718. All 2010 awards were made in the form of restricted stock vesting over a five-year period. See the *Compensation Discussion and Analysis* and the *Grants of Plan-Based Awards* table for additional information concerning the 2010 awards.

(2) The 2010 amounts represent awards for 2010 performance under the Company s Management Incentive Compensation Plan. See the *Compensation Discussion and Analysis* and the *Grants of Plan-Based Awards* table for additional information concerning the 2010 awards.

(3) The following table sets forth the components of the *All Other Compensation* column in 2010:

Name	Dividends on Unvested	Medical Reimbursement ($)	Tax Reimbursement (a) ($)	Life Insurance Imputed	ESOP Allocation (b) ($)	Total ($)

	Restricted Stock ($)			**Income ($)**		
Mr. Ficalora	155,000	3,689	572,207	24,474	7,813	763,183
Mr. Wann	134,750	5,445	245,477	8,604	7,813	402,089
Mr. Cangemi	107,450	14,781	175,945	1,960	7,813	307,949
Mr. Carpenter	96,750		160,821	2,046	7,813	267,430
Mr. Pinto	57,250		155,670	1,002	7,813	221,735

(a) Each named executive officer received a payment authorized by the Compensation Committee to enable the officer to satisfy tax obligations related to the vesting of restricted stock awarded in prior years. The payment was intended to encourage each officer to maximize their retention of Company stock.

(b) The value of the ESOP allocation is based on the $18.85 per share closing price of the Common Stock on the allocation date, December 31, 2010.

Grants of Plan-Based Awards

The following table provides information concerning the 2010 award opportunities for the named executive officers under the Company s non-equity and equity incentive plans.

	Estimated Future Payouts Under Non-Equity Incentive Plan Awards (1)			Estimated Future Payouts Under Equity Incentive Plan Awards (2)			Grant Date Fair Value of Stock Awards (3)
	Threshold ($)	Target ($)	Maximum ($)	Threshold ($)	Target ($)	Maximum ($)	($)
Mr. Ficalora	250,000	1,000,000	1,500,000	438,000	1,750,000	2,625,000	2,587,500
Mr. Wann	131,000	525,000	788,000	175,000	700,000	1,050,000	1,035,000
Mr. Cangemi	70,000	280,000	420,000	140,000	560,000	840,000	776,250
Mr. Carpenter	63,000	250,000	375,000	125,000	500,000	750,000	690,000
Mr. Pinto	41,000	165,000	248,000	83,000	330,000	495,000	483,000

(1) Represents 2010 non-equity incentive award opportunity levels under the Company s Management Incentive Compensation Plan. In 2010, the named executive officers were eligible for awards at the maximum level based on the performance of the Company. The Compensation Committee exercised its discretion to reduce the awards to levels between the target and maximum awards, such that the actual awards reflect an aggregate $331,000 reduction from the maximum award level. The awards were made on March 22, 2011.

(2) Represents 2010 equity incentive compensation award opportunity levels. In 2010, the named executive officers were eligible for awards at the maximum level based on the performance of the Company. The Compensation Committee exercised its discretion to reduce the awards slightly below the maximum level, such that the actual awards reflect an aggregate $188,000 reduction from the maximum award level. The awards were made on March 22, 2011.

(3) Represents the grant date fair value determined in accordance with FASB ASC Topic 718 of the 2010 equity incentive plan awards. The awards were made on March 22, 2011 in the form of restricted stock that will vest over a five-year vesting period.

Option Exercises and Restricted Stock Vesting

The following table provides information concerning stock option exercises and restricted stock vesting for the named executive officers during the 2010 fiscal year.

	Option Exercises		Restricted Stock Vesting	
	Shares Acquired on Exercise	Value Realized on Exercise ($)	Shares Acquired on Vesting	Value Realized on Vesting ($) (1)
Mr. Ficalora			40,000	665,800
Mr. Wann			23,000	382,610
Mr. Cangemi			18,600	309,822
Mr. Carpenter	31,408	188,618	17,000	283,190
Mr. Pinto	11,854	77,970	16,000	274,120

(1) The value realized on vesting is based on the value of the Company s stock on the applicable vesting dates (April 4 and April 28, 2010). The value reported for Mr. Pinto also includes a vesting that occurred on April 20, 2010. The value realized on vesting is also the amount realized as income in 2010 by each named executive officer.

Outstanding Equity Awards at Fiscal Year-End

The following table provides certain information with respect to the number of shares of Common Stock represented by outstanding stock options and outstanding restricted stock awards held by the named executive officers as of December 31, 2010. All stock options are fully exercisable. The market value of unvested restricted stock is based on the $18.85 closing price of the Common Stock on December 31, 2010.

	Number of Securities Underlying Exercisable Options (#)	Option Exercise Price ($)	Option Expiration Date	Number of Shares of Stock That Have Not Vested (#)	Market Value of Shares of Stock That Have Not Vested ($)
Mr. Ficalora	150,000	12.5025	12/21/11		
	1,262,511	15.4125	01/24/12		
	266,667	13.8450	07/24/12		
	373,333	16.0575	01/21/13	295,000	5,560,750
Mr. Wann	177,777	12.5025	12/21/11		
	533,512	15.4125	01/24/12		
	266,667	13.8450	07/24/12		
	373,333	16.0575	01/21/13	144,000	2,714,400
Mr. Cangemi				114,800	2,163,980
Mr. Carpenter	35,556	13.8450	07/24/12		
	21,333	16.0575	01/21/13		
	20,000	23.4975	09/16/13	103,000	1,941,550
Mr. Pinto	42,667	13.8450	07/24/12		
	21,333	16.0575	01/21/13		
	36,000	23.4975	09/16/13		
	20,000	18.1700	04/05/15	61,000	1,149,850

Pension Benefits

The following table provides certain information, as of December 31, 2010, with respect to each pension plan that provides for payments or other benefits to the named executive officers at retirement.[1]

	Plan Name	Number of Years of Credited Service (#)	Present Value of Accumulated Benefit ($)
Mr. Ficalora	Supplemental Retirement Plan	33	2,354,980

Mr. Wann	Retirement Plan	17	383,242
	Supplemental Retirement Plan	17	112,380
Mr. Cangemi	Retirement Plan	0.4	4,313
Mr. Carpenter	Retirement Plan	9	91,332
Mr. Pinto	Retirement Plan		

(1) The Retirement Plan, a tax-qualified defined benefit pension plan, and the pension-related Supplemental Retirement Plan were frozen by the Company in 1999. Subsequent to the plan freeze, the similarly frozen pension plans of financial institutions acquired by the Company were merged into the Company s frozen plan. The indicated benefit represents the present value of the executive s accumulated benefit as of the date the plans were frozen. All amounts accrued by the Company with respect to the Plans subsequent to the freeze date reflect the effect of actuarial adjustments and do not increase the Executive s benefit. Mr. Pinto did not participate in either plan. In 2009, as part of his individual tax and estate planning process, Mr. Ficalora received an in-service, lump sum distribution of his frozen Retirement Plan benefit as authorized by the plan based on his age and service and, therefore, has no remaining benefit due under that plan.

Non-Qualified Defined Contribution Plan Benefits

The following table represents the value of the respective executive s account balance at December 31, 2010 under the ESOP-related provisions of the Company s Supplemental Executive Retirement Plan.

	Value of Aggregate Balance at Last Fiscal Year-End (1) ($)
Mr. Ficalora	12,809,423
Mr. Wann	3,792,658

(1) The Supplemental Executive Retirement Plan, which was frozen as to annual allocations in 1999, credited the executive with shares of the Company s Common Stock that could not be allocated to them directly under the Company s ESOP as a result of applicable federal tax limitations. No annual allocations to this plan have been made since 1999. Messrs. Ficalora and Wann have 679,544 and 201,202 shares, respectively, allocated to their accounts under the frozen plan. Messrs. Cangemi, Carpenter and Pinto did not participate in the plan prior to the freezing of annual allocations. The value presented is based on the closing price of $18.85 for the Common Stock on December 31, 2010. The share totals reflect the cumulative effect of nine stock splits in the form of stock dividends since the Company s 1993 initial public offering and also include shares credited in the form of dividend reinvestment. For additional information regarding the plan, see Potential Post-Termination *Payments and Benefits* below.

Potential Post-Termination Payments and Benefits

Severance Under Employment Agreements

The Company maintains employment agreements with its Chief Executive Officer and other named executive officers. The agreements, which are identical in form, provide for an initial three-year term and daily extension so that the contract term is always three years from the then-current date, unless either party provides written notice of non-renewal or termination, at which time the expiration date becomes fixed at three years from the date of notice or termination. The employment agreements also provide for the payment and annual review of base salary, the provision of employee benefits applicable to executive personnel, and eligibility to participate in incentive and stock-based compensation programs. The employment agreements allow the Company to terminate the executive s employment for cause, as defined in, and subject to, procedures outlined, in the agreements. The executives receive no further payments or benefits under their agreements following a termination for cause. Upon the executive s voluntary termination or death, the executive or his estate would receive only base salary and other compensation or benefits earned through the date of termination.

Under the agreements, the Company has the right to terminate the executive s employment if he becomes disabled. Upon the executive s termination of employment by reason of his disability, the executive s full base salary would be continued through the date the executive begins to receive benefits under the Company s long-term disability program. When the executive begins to receive long-term disability benefits, the Company is obligated to (i) continue paying the executive the difference between 60 percent of his base salary and the long-term disability benefit, and (ii) continue the executive s employee benefits through the date the agreement would have otherwise expired.

Each executive may also terminate employment under the agreements for good reason (i.e., under circumstances outlined in the agreement and equivalent to constructive termination), and the Company may also terminate the executive without cause. Upon termination for good reason or termination without cause, the executive receives a lump sum benefit equal to the sum of base salary and other compensation earned through the termination date, plus the executive s pro rata share of his annual incentive compensation for the year of termination determined by reference to the highest annual aggregate annual amounts of bonuses or other cash incentive compensation paid to the executive in any of the three calendar years preceding termination of employment. The executive also becomes entitled to a lump sum payment equal to the sum of (i) three times the highest total compensation paid to the executive during the three preceding years, including bonuses, cash, and stock compensation, and other amounts reported on the executive s Form W-2 (but excluding income realized from the exercise or disqualifying disposition of stock options); and (ii) three times the average amount contributed by or allocated to the executive under all tax-qualified benefit plans during the three preceding years. The executive also receives continued medical, dental, and life insurance benefits for a period of thirty-six months following termination of employment. In addition, if the executive s termination of employment for good reason or without cause occurs on or after the effective date of a change in control, as defined in the agreement, all stock awards and stock options will accelerate and vest in full as of the executive s termination date.

If the executive terminates employment due to disability or death within one year after the occurrence of a change in control or within one year after the commencement of preliminary steps leading to an eventual change of control, with the actual change in control taking place within two years after the executive s termination of employment, the executive or his estate will receive the severance benefits described above, in the same manner as if the executive had terminated employment with good reason.

Section 280G of the Internal Revenue Code of 1986 provides that payments or benefits contingent upon a change in control that exceed three times an executive s base amount (i.e., three times average annual taxable compensation over the five taxable years preceding the change in control) are excess parachute payments. Under Section 4999 of the Code, an executive who receives an excess parachute payment is subject to a 20% excise tax on the amount received in excess of the base amount, and the Company is unable to deduct a corresponding amount. In the event that any payments or benefits provided to the executives are subject to the excise tax, the employment agreements provide the executives with indemnification for these excise taxes and any additional income, employment, and excise taxes imposed as a result of the initial indemnification.