NEW YORK COMMUNITY BANCORP INC
Form DEF 14A
April 23, 2010

SCHEDULE 14A INFORMATION

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:

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

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(1) Amount previously paid:

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

(3) Filing party:

(4) Date filed:

April 23, 2010

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 3, 2010 at 10:00 a.m., Eastern 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 23, 2010, 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 2009 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 submit 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 32, 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,
Joseph R. Ficalora
Chairman, 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 3, 2010

The Annual Meeting of Shareholders (the Annual Meeting) of New York Community Bancorp, Inc. will be held on Thursday, June 3, 2010 at 10:00 a.m., Eastern 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 four 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, 2010; and

3. 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 5, 2010 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 New York Community Bancorp, Inc., 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 23, 2010

IMPORTANT NOTICE REGARDING THE AVAILABILITY OF PROXY MATERIALS FOR THE SHAREHOLDER MEETING TO BE HELD ON JUNE 3, 2010:

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 3, 2010

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 3, 2010, and at any adjournments thereof. This proxy statement is being mailed to shareholders on or about April 23, 2010. The 2009 Annual Report on Form 10-K, including consolidated financial statements for the fiscal year ended December 31, 2009, 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 submit 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 23, 2010. The Company will continue to mail a printed copy of this Proxy Statement, proxy card and the Annual Report to certain shareholders on or about April 27, 2010.

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 and FOR the ratification of the appointment of KPMG LLP as the independent registered public accounting firm of the Company.**

Alternatively, shareholders of record may vote their shares of Common Stock over the Internet, or by calling a specially designated 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 Time, on June 2, 2010.

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.**

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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, Mellon Investor Services LLC, 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 5, 2010 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 435,441,094.

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, 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 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, 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.

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 Proposal 2. In connection with such proposal, 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 known by management to be beneficial owners of more than 5% of the outstanding shares of Common Stock on April 5, 2010. Other than those persons listed below, the Company is not aware of any person or group that beneficially owned more than 5% of the Common Stock as of April 5, 2010.

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 (1) 333 South Hope Street Los Angeles, California 90071	25,380,000 (1)	5.83%
BlackRock, Inc. 40 East 52nd Street New York, New York 10022	25,676,498 (2)	5.90%

(1) Based solely on information filed in a Schedule 13G with the SEC on February 10, 2010.

(2) Based solely on information filed in a Schedule 13G with the SEC on January 29, 2010.

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 fourteen (14) members. All directors presently serve as directors of the Company, the Community Bank, and the Commercial Bank. Directors 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 Donald M. Blake, Michael J. Levine, Honorable Guy V. Molinari, and John M. Tsimbinos.

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 5, 2010, the names of the nominees, continuing directors, and executive officers, their ages and, as applicable, the year in which each became a director and the year in which their terms (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 5, 2010.

Name	Age	Director Since (1)	Shares of Common Stock Beneficially Owned (2)	Percent of Class
Nominees for Directors (whose terms expire in 2013):				
Donald M. Blake	85	1968	307,266 (3,4)	0.07%
Michael J. Levine	65	2004	350,693 (4,6)	0.08%
The Honorable Guy V. Molinari	81	2004	34,277 (4,6)	0.01%
John M. Tsimbinos	72	2003	1,707,785 (3,4)	0.39%
Directors whose terms expire in 2012:				
Maureen E. Clancy	78	2003	136,118 (3,4)	0.03%
Robert S. Farrell	84	2001	363,069 (3,4)	0.08%
Joseph R. Ficalora	63	1989	6,331,037 (3,4,5,6)	1.45%
James J. O Donovan	67	2003	2,542,261 (3,4,5)	0.58%
Hanif W. Dahya	54	2007	50,000 (3,6)	0.01%
Directors whose terms expire in 2011:				
Dominick Ciampa	76	1995	1,031,526 (3,4)	0.24%
William C. Frederick, M.D.	82	2001	364,329 (3,4,7)	0.08%
Max L. Kupferberg	90	1983	3,960,827 (3,4)	0.91%
Spiros J. Voutsinas	76	2003	158,115 (6,7)	0.04%
Robert Wann	55	2008	2,720,918 (4,5,6)	0.62%
Executive Officers Who Are Not Directors:				
Thomas R. Cangemi	41		743,937 (3,5,6,7)	0.17%
James J. Carpenter	49		318,264 (3,4,5,6)	0.07%
John J. Pinto	39		314,772 (4,5,6)	0.07%
All directors and executive officers as a group (17 persons)			21,435,193	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. Blake 84,560; Mr. Ciampa 769,983; Ms. Clancy 22,581; Mr. Dahya 25,000; Mr. Farrell 54,247; Mr. Ficalora 290,863; Dr. Frederick 12,240; Mr. Kupferberg 3,103,094; Mr. O Donovan 5,318; Mr. Tsimbinos 793,296; 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. Blake 15,111; Mr. Ciampa 216,000; Ms. 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 108,297; and Mr. Pinto 131,854.

(5) Includes the following shares allocated under the NYCB ESOP: Mr. Ficalora 374,581; Mr. O Donovan 259,738; Mr. Wann 258,624; Mr. Cangemi 32,482; Mr. Carpenter 35,446; and Mr. Pinto 28,206, as well as shares acquired in Messrs. Ficalora s, Cangemi s, and Pinto s ESOP accounts pursuant to dividend reinvestment. Also includes 159,976; 641,107; and 189,821 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 395,017; Mr. O Donovan 84,749; Mr. Wann 81,929; Mr. Cangemi 85,189; Mr. Carpenter 6,425; 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. Dahya 13,000; Mr. Ficalora 320,000; Mr. Levine 8,000; Mr. Molinari 3,500; Mr. Voutsinas 20,000; Mr. Wann 159,000; Mr. Cangemi 125,800; Mr. Carpenter 113,000; and Mr. Pinto 43,000. All restricted shares were awarded in 2007 and 2008.

(7) Dr. Frederick and Messrs. Voutsinas and Cangemi have pledged 334,115, 115,531, 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

Donald M. Blake. A significant portion of the Company s business is derived from its commercial lending activities and real estate investment trusts. Mr. Blake has considerable business experience in this area. As the President and Chief Executive Officer of Joseph J. Blake & Associates, Inc., a successful global real estate appraisal company, Mr. Blake has more than 50 years of experience in the area of national and global commercial real estate valuation and consulting. He has also demonstrated his business and leadership skills, serving as President and Chief Executive Officer of his company for 45 years. His leadership skills and experience with his own company, as well as extensive knowledge of our business, including, in particular, real estate valuations and lending, enable him to be an effective board member and committee chairman.

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 senior levels 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, 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.

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 gives Mr. Tsimbinos 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.

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 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.

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, including 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, retail, financial, and entertainment industries. The Y Company LLC currently has investments in the largest life style technology retail chain in India, the second largest mobile VAS services company in India, and is currently in the process of acquiring a Non-Bank Financial Corporation to issue financial services products in India. The company is also involved in distressed assets in the emerging Asian markets. Prior to forming The Y Company, Mr. Dahya spent fourteen (14) 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 appointment Chairman of the Board of the Company and the Banks, a position he held previously at the Company from July 20, 1993 and at the Community Bank from May 20, 1997 through July 31, 2001. 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, Standard Funding Corp., a premium finance company, 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, 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.

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.

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 in conjunction with his continued participation in several lending industry professional associations not only brings valuable management and leadership skills, extensive industry knowledge and business experience to the Board, but also brings a beneficial insight in overseeing critical matters to the Company s lending business. 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.

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 experience with the Company and contributions as the President of the Atlantic Bank division, 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 Operations Officer of the Company since 2003. Previously, Mr. Wann served as Executive Vice President and Chief Financial Officer in 2002 and Senior Vice President, Comptroller, and Chief Financial Officer from 1991 to 2002. During this time, he was a key member of the management team that spearheaded the Company s conversion to stock form in 1993; its acquisition of CFS Bank in November 2000; and its mergers with Richmond County Financial Corp. and Roslyn Bancorp, Inc. in July 2001 and October 2003, respectively.

With over 27 years experience at the Company, Mr. Wann has a deep knowledge and understanding of the Company, its operating companies, and its lines of business. Mr. Wann has demonstrated his leadership abilities and his commitment to the Company through his long service in numerous roles with the Company. It is this commitment, knowledge, and leadership that make him well-suited to serve on the Board, and contributes 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.

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 Company and 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 & 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 2009, the Board held thirteen (13) 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 2009. 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 nature and composition of the committees of the Board of Directors are described below.

Audit Committee. The Audit Committee of the Board consists of Messrs. Levine (Chairman), Kupferberg, Farrell, 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. 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 seven (7) times in 2009. 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. Blake (Chairman), Ciampa, Dahya, Farrell, Kupferberg, Levine, 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 2009. 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 Messrs. Blake (Chairman), Kupferberg, Farrell, and Levine and Ms. Clancy, all of whom are independent in accordance with the listing standards of the New York Stock Exchange. 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 three (3) times in 2009. 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. Thirteen of the fourteen current Board members attended the 2009 Annual Meeting of Shareholders held on June 10, 2009.

Directors Compensation

The following table provides details of the compensation received by non-employee directors of the Company during the 2009 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 ($)	Stock Awards ($) (1)	All Other Compensation ($) (2)	Total ($)
Donald M. Blake	167,000		347	167,347
Dominick Ciampa	199,100		347	199,447
Maureen E. Clancy	87,500		347	87,847
Hanif Dahya	125,500	125,200	16,597	267,297
Robert S. Farrell	101,000		347	101,347
William C. Frederick, MD	87,500		347	87,847
Max L. Kupferberg	184,000		347	184,347
Michael J. Levine	271,100	125,200	10,347	406,647
Hon. Guy V. Molinari	85,500		4,722	90,222
John M. Tsimbinos	197,200		347	197,547

(1) In accordance with the SEC s revised reporting 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.

(2) For all directors, except Messrs. Dahya, Levine and Molinari, the reported amount represent 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 ($347) and dividends received on unvested restricted stock as follows: Mr. Dahya ($16,250), Mr. Levine ($10,000) and Mr. Molinari ($4,375).

Director Fees. In 2009, 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 $2,000 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 Bank s 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 Blake, Ciampa, and Kupferberg are the only participants in the plan.

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

Director Stock Compensation. Directors also participate from time to time in the Company s stock compensation programs.

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 share with our stockholders the following information about how we compensate our senior management team. For many financial institutions, 2009 was a difficult operating environment with challenges posed by a troubled economy and significant contraction in the financial performance of the sector. Our compensation program recognized these challenges by providing appropriate rewards to our management team as they continued to implement our time-tested business model and took advantage of unique opportunities to expand our franchise. While not immune to some of the difficulties that affected the industry generally, we emerged from 2009 as one of America s leading financial institutions. The sustained leadership of our Chief Executive Officer, Joseph R. Ficalora, was crucial to our ability to implement a plan of strategic growth in a period of contraction and dislocation for many other financial institutions. His efforts, along with those of the other members of our talented senior management team, are the reason for our success in a period when many institutions were simply unable to cope with the challenges and complexities of a changing market for financial services.

Our Compensation Philosophy

Our executive compensation philosophy is based on three guiding principles:

- **Meeting the Demands of the Market** We compensate our named executive officers (NEOs) 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 Shareholders** We use equity compensation as a key component of our compensation mix to develop a culture of ownership among our management team and to align their individual financial interests with the interests of our shareholders.

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

Our compensation 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 elements: (i) base salary, (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 compensation to provide 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. Our program targets the following balanced approach to total compensation:

	Base Salary	Annual Incentives	Long-Term Incentives
CEO	27%	27%	46%
COO	36%	27%	37%
Other NEOs	40%	20%	40%

To achieve the necessary balance, our Compensation Committee works closely with nationally recognized independent compensation consultants who provide us with their expertise on competitive compensation practices, help us to benchmark our compensation program to our peers and to best practices in our sector, and analyze our pay-for-performance results.

Base Compensation. Our NEOs receive base salaries at levels that reflect the role, scope, and complexity of their specific positions. The salaries of our NEOs are reviewed at least annually to reflect their performance, to evaluate our competitive position on base pay, and to make any necessary adjustments. Our goal is to maintain salary levels for our NEOs at a level that is generally consistent with base pay received by those in comparable positions at our peer companies and reflective of their individual contributions. As part of our salary review process, we obtain peer group information from a variety of sources, including an independent compensation consultant. Typically, salary adjustments occur in the first quarter or at other appropriate intervals during the year.

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 of 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. Our long-term incentive compensation program is based on the delivery of competitive equity awards to our management team. We use our equity-based compensation program to reward outstanding performance with incentives that focus our management team on the task of creating 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. The nature and size of awards under our equity compensation programs are determined by a number of factors, including awards made to those holding comparable positions in our peer group, our philosophy to provide 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 2009, we continued our performance-based equity compensation program to focus and reward management for the attainment of financial goals relative to our peer group. By combining financial goals with equity awards, we can provide our executive officers with an incentive that is both internally and externally performance-based and balanced.

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 NEOs 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 wide range of financial metrics that can be selected for use on a comparative basis 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 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 in the award.

The Compensation Committee also retains the right to provide cash awards to our NEOs and other key personnel outside the MICP. This authority was exercised by the Committee for the first time in 2009. In early 2009, the Committee declined to authorize cash incentive payments to the NEOs for the Company s 2008 performance, despite being eligible for a maximum award based on its superior performance ranking compared to peers. The decision not to issue cash awards reflected a number of factors, including the Committee s assessment of general industry conditions and the fact that many peer companies did not make, or paid reduced, incentive compensation awards. However, in recognition of the Company s superior performance, the Committee did provide each NEO with a special cash award of a value sufficient to help the executive meet his tax obligations with respect to the vesting of stock awards made in prior years. The Committee intended these special awards to allow the NEOs to continue to hold and maximize their retention of Company stock. The specific cash awards for each officer are detailed in the *Summary Compensation Table* that appears on page 20 of this Proxy Statement.

Peer Group Analysis

A critical element of our compensation philosophy, and a key driver of specific compensation decisions for our management 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. A guiding principle of our compensation philosophy is the maintenance of a competitive compensation program relative to the companies with which we compete for talent. In addition, we annually benchmark selected financial results against the performance of our peers to establish incentive compensation award opportunities for our NEOs. Our peer group is selected with the assistance of our independent compensation consultants on the basis of several factors, including asset size, presence in our key markets, and operating characteristics. Below are the financial institutions included in our 2009 peer group:

Associated Banc-Corp. (WI)	*Huntington Bancshares, Incorporated. (OH)*
Astoria Financial Corporation (NY)	*M&T Bank Corporation (NY)*
BOK Financial Corporation (OK)	*Northern Trust Corporation (IL)*
CIT Group, Inc. (NY)	*Peoples United Financial, Inc. (CT)*
City National Corporation (CA)	*Synovus Financial Corp. (AL)*
Commerce Bancshares, Inc. (MO)	*TCF Financial Corporation (MN)*
First Citizens BancShares, Inc. (NC)	*Valley National Bancorp (NJ)*
First Horizon National Corporation (IN)	*Webster Financial Corporation (CT)*
Fulton Financial Corporation (PA)	*Zions Bancorporation (UT)*
Hudson City Bancorp, Inc. (NJ)	

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

We rely on the Compensation Committee to develop the broad outline of our compensation program and to monitor the success of the program in achieving the objectives of our compensation philosophy. The Committee, which consists 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 compensation program. The charter vests in the Committee principal responsibility for determining the compensation of the CEO 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 2009, the Compensation Committee met three times, including two executive sessions attended by Committee members only. The members of the Committee included Donald M. Blake, Max L. Kupferberg, Robert S. Farrell, Maureen E. Clancy, and Michael J. Levine.

Role of the Independent Compensation Consultant

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 in the compensation area to ensure that our program is consistent with prevailing practice in our industry. During 2009, PM&P s services included conducting a comprehensive competitive benchmark review and peer group performance analysis and analyzing performance relative to peer group for the Compensation Committee s incentive plan determination.

Role of Management

Although the Committee is ultimately responsible for executive compensation decisions, information and input from the CEO is critical to ensuring the Committee and its advisors have the information needed to make informed decisions. The CEO 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. The CEO meets with the Compensation Committee to discuss the recommendations and also reviews with the Committee his recommendations concerning the compensation of our NEOs. Although the CEO may provide input on his own compensation, he does not participate in Committee discussions relating to the determination of his compensation.

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 requirement. 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, which limits the deductibility of certain compensation paid to our NEOs. However, to the greatest extent possible, it is our intent to structure our compensation programs in a tax-efficient manner. As currently structured and approved, our incentive programs meet the requirements of performance-based pay pursuant to Internal Revenue Code Section 162(m).

Post-Employment Arrangements

We recognize that an important consideration in our ability to attract and retain key personnel 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 personnel with reasonable financial arrangements in the event of termination of employment. In addition, the use of such arrangements by our competitors necessarily influences our use of such arrangements to maintain our ability to attract and retain key personnel. At present, all of our NEOs 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 NEO agreements. For additional information regarding these NEO employment agreements, see the section headed *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 our employees, including our NEOs. 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 our employees to supplement their retirement savings with elective deferral contributions. In addition, certain of our NEOs are entitled to benefits at retirement under our tax-qualified pension plan which was frozen in 1999 and following which no additional benefits were accrued by the NEOs.

Certain of our NEOs participate in a supplemental retirement benefits plan that was established at the time of our initial public offering and that provides 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 NEOs supplemental executive retirement benefits or nonqualified deferred compensation programs. For additional information regarding the supplemental retirement benefits plan, see the section headed *Potential Post-Termination Payments and Benefits* following the *Summary Compensation Table*.

In addition to retirement programs, we provide our employees, including our NEOs, 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

We provide our NEOs 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.

Stock Compensation Grant and Award Practices; Timing Issues

Our Compensation Committee considers whether to make stock option grants and/or award other forms of equity as part of their annual evaluation of the performance of our NEOs. 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 CEO with respect to awards contemplated for the Named Executive Officers. However, the Committee is solely responsible for the development of the schedule of grants or awards made to the CEO and NEOs.

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 the 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.

We set the exercise price of stock options solely by reference to the applicable provisions of our equity compensation plans. Under our current plan, the exercise price of an option is the closing price of our Common Stock on the grant date. The grant date is generally the date of Committee action. The Company has not approved any stock option grants by unanimous written consent.

Stock Ownership Requirements

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

2009 Decisions and Developments in NEO Compensation

Base Salary Adjustments

Consistent with our objective of increasing variable pay for our NEOs as a percentage of their total compensation, the Committee did not increase 2009 base salaries for our CEO, Mr. Ficalora, and the other NEOs. The Committee determined, however, that NEO base salaries remained competitive with the Company s peers and consistent with each NEO s level of responsibility.

2009 Peer Group Analysis and Incentive Compensation Awards

Our CEO, Mr. Ficalora, and the other NEOs were all eligible to receive incentive compensation awards in 2009. In 2009, as in prior years, the Committee pre-defined 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. These performance metrics included: (i) the efficiency ratio, (ii) the return on tangible shareholders equity calculated by reference to operating income; and (iii) the Company s non-performing assets as a percentage of total assets. The Committee believed that these metrics were directly linked to the growth of total shareholder return over the long-term and, therefore, represented appropriate goals upon which to base incentive compensation opportunities.

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 incentive, particularly long-term/equity compensation. The following tables illustrate the award opportunities for our NEOs, expressed as a percentage of 2009 base salary, over the indicated range of performance:

2009 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

2009 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

Actual award payouts reflect the Company s performance compared to its peers. The Committee believes this approach is the most effective way to measure our success. At the end of the performance year, the Committee reviews the Company s average percentile rank of the three goals 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 better than the 50th percentile of the peer group average and maximum awards require a rank better than the 75th percentile of the peer group average performance.

In early 2010, we reviewed our 2009 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 first among our peers (i.e., the 100th percentile of the peer group average for the three measures). With respect to the individual metrics, we ranked second (efficiency ratio and return on tangible equity) and seventh (non-performing assets/total assets) among our peers. The Company s superior performance was also reflected in other key financial metrics that were not included or benchmarked in our 2009 incentive compensation program. We ranked first among our peers in (i) three-year total shareholder return, (ii) earnings per share growth, and (iii) dividend yield. Accordingly, with respect to both our cash- and equity-based incentive compensation programs, our CEO and other NEOs were eligible for awards at the maximum of the range.

Upon consideration of the foregoing, the Committee authorized awards at target for the cash program and slightly below the maximum award opportunity for the equity awards program. The specific awards for Mr. Ficalora and the other NEOs are detailed in the *Summary Compensation* and the *Grants of Plan-Based Awards* tables. All equity awards were made in the form of restricted stock grants with vesting over a five-year period. In making these awards, the Committee specifically noted that the 2009 total direct compensation of the Company s NEOs would rank each above the market median for officers with similar positions in the Company s peer group. The Committee concluded that this positioning was consistent with the Company s superior performance and validated the Company s pay-for-performance philosophy. In addition, consideration was given to the Committee s decision not to pay cash incentives despite comparably high performance in 2008.

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 discussed it with management. Based on its reviews and 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

Donald M. Blake, Chairman

Max L. Kupferberg

Robert S. Farrell

Maureen E. Clancy

Michael J. Levine

Summary Compensation Table

The following information is furnished for the principal executive officer, principal financial officer, and the next three highest compensated executive officers of the Company (the Named Executive Officers) for the 2009 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 Chairman, 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
	2007	975,000		1,383,000	1,075,000	95,030	3,528,030
Robert Wann 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
	2007	650,000		737,600	500,000	75,978	1,963,578
Thomas R. Cangemi 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
	2007	530,000		700,720	350,000	56,292	1,637,012
James J. Carpenter Senior Executive Vice President and Chief Lending Officer	2009	500,000		694,680	250,000	209,423	1,654,103
	2008	500,000		586,500		157,412	1,243,912
	2007	475,000		645,400	300,000	53,565	1,473,965
John J. Pinto 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
	2007	305,000	50,000	368,800		48,022	771,822

(1) In accordance with the SEC s revised reporting 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. The prior year amounts have been recalculated to reflect the rule change. All 2009 awards were made in the form of restricted stock earned over a five-year vesting period. The 2009 expense recognized by the Company with respect to stock awards granted to NEOs in 2009 and prior years was as follows: Mr. Ficalora ($607,311); Mr. Wann ($345,957); Mr. Cangemi ($298,026); Mr. Carpenter ($274,607); and Mr. Pinto ($228,023). See the *Grants of Plan-Based Awards* table for additional information concerning the 2009 awards.

(2) Represents an award for 2009 performance under the Company s Management Incentive Compensation Plan. See the *Grants of Plan-Based Awards* table for additional information concerning the 2009 awards.

(3) The following table sets forth the components of the All Other Compensation column in 2009:

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

	Stock $		**$**			
Joseph R. Ficalora	165,000	3,591	24,747	11,687	255,108	460,133
Robert Wann	94,750	5,957	7,853	11,687	147,617	267,864
Thomas R. Cangemi	77,550	2,807	1,873	11,687	133,879	227,796
James J. Carpenter	71,000		1,906	11,687	124,830	209,423
John J. Pinto	39,500		962	11,687	56,469	108,618

(a) The value of the ESOP allocation is based on the $14.51 closing price of the Common Stock on December 31, 2009.

(b) Represents a one-time payment authorized by the Compensation Committee to assist the NEOs with tax withholding obligations related to the vesting of restricted stock awards made in prior years. The payment was intended to encourage the NEOs to maximize their retention of the stock.

Grants of Plan-Based Awards

The following table provides information concerning the 2009 award opportunities for the NEOs 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	2,481,000
Mr. Wann	131,000	525,000	788,000	175,000	700,000	1,050,000	992,400
Mr. Cangemi	70,000	280,000	420,000	140,000	560,000	840,000	793,920
Mr. Carpenter	63,000	250,000	375,000	125,000	500,000	750,000	694,680
Mr. Pinto	41,000	165,000	248,000	83,000	330,000	495,000	413,500

(1) Represents 2009 non-equity incentive award opportunity levels under the Company s Management Incentive Compensation Plan. In 2009, the NEOs 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 the target level, such that the actual awards reflect an aggregate $1,285,000 reduction from the maximum award level. The awards were made on March 31, 2010.

(2) Represents 2009 equity incentive compensation award opportunity levels. In 2009, the NEOs 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 below the maximum level, such that the actual awards reflect an aggregate $385,000 reduction from the maximum award level. The awards were made on March 31, 2010.

(3) Represents the grant date fair value determined in accordance with FASB ASC Topic 718 of the 2009 equity incentive plan awards. The awards were made on March 31, 2010 in the form of restricted stock, and will be earned over a five-year vesting period.

Options Exercised and Stock Vested

The following table provides information concerning restricted stock vesting for the NEOs during the 2009 fiscal year. None of the NEOs exercised stock options during the 2009 fiscal year.

	Shares Acquired on Vesting	Value Realized on Vesting ($) [(1)]
Mr. Ficalora	45,000	499,650
Mr. Wann	26,000	289,120
Mr. Cangemi	23,600	262,212
Mr. Carpenter	22,000	244,490
Mr. Pinto	10,000	108,200

(1) For Messrs. Ficalora, Wann, Cangemi, and Carpenter, the value realized on vesting is based on a market value of $11.32 and $10.67 per share on the applicable vesting dates (April 2 and April 4, 2009). For Mr. Pinto, the value realized on vesting is based on a market value of $10.67 and $10.92 per share on the applicable vesting dates (April 4 and April 20, 2009). The value realized on vesting is also the amount realized as 2009 income by each NEO.

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 NEOs as of December 31, 2009. All stock options are fully exercisable. The market value of unvested restricted stock is based on the $14.51 closing price of the Common Stock on December 31, 2009.

	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	185,000	2,684,350
	1,262,511	15.4125	01/24/12		
	266,667	13.8450	07/24/12		
	373,333	16.0575	01/21/13		
Mr. Wann	177,777	12.5025	12/21/11	107,000	1,552,570
	533,512	15.4125	01/24/12		
	266,667	13.8450	07/24/12		
	373,333	16.0575	01/21/13		
Mr. Cangemi				85,400	1,239,154
Mr. Carpenter	11,564	8.6475	01/18/11	78,000	1,131,780
	19,844	12.5025	12/21/11		
	35,556	13.8450	07/24/12		
	21,333	16.0575	01/21/13		
	20,000	23.4975	09/16/13		
Mr. Pinto	11,854	12.5025	12/21/11	52,000	745,520
	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		

Pension Benefits

The following table provides certain information, as of December 31, 2009, with respect to each pension plan that provides for payments or other benefits to the NEOs at retirement.[1]