

NEW YORK COMMUNITY BANCORP INC  
Form DEF 14A  
April 26, 2013  
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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

Filed by a party other than the registrant

Check the appropriate box:

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| <input type="checkbox"/> Preliminary proxy statement           | <input type="checkbox"/> Confidential, for Use of the Commission Only (as permitted by Rule 14-a6(e)(2)) |
| <input checked="" type="checkbox"/> Definitive proxy statement |  |
| <input type="checkbox"/> Definitive additional materials       |  |
| <input type="checkbox"/> Soliciting material under Rule 14a-12 |  |

**New York Community Bancorp, Inc.**

(Name of Registrant as specified in its Charter)

Payment of filing fee (Check the appropriate box):

- 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:
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- (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):
  - (4) Proposed maximum aggregate value of transaction:
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- .. Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the form or schedule and the date of its filing.
- (1) Amount previously paid:
  - (2) Form, schedule or registration statement no.:
  - (3) Filing party:
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April 26, 2013

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 6, 2013 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 26, 2013, 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 2012 Annual Report, online, rather than receiving them 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](http://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 37, 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

*Chairman of the Board*

Joseph R. Ficalora

*President and Chief Executive Officer*

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**NEW YORK COMMUNITY BANCORP, INC.**

**615 Merrick Avenue**

**Westbury, New York 11590**

**NOTICE OF ANNUAL MEETING OF SHAREHOLDERS**

**To Be Held on June 6, 2013**

The Annual Meeting of Shareholders (the "Annual Meeting") of New York Community Bancorp, Inc. (the "Company") will be held on Thursday, June 6, 2013 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 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, 2013; 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 9, 2013 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 26, 2013

**IMPORTANT NOTICE REGARDING THE AVAILABILITY OF PROXY MATERIALS FOR THE SHAREHOLDER MEETING TO BE HELD ON JUNE 6, 2013:**

The Proxy Statement and Annual Report to Shareholders are available at [www.proxyvote.com](http://www.proxyvote.com).

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**NEW YORK COMMUNITY BANCORP, INC.**

**PROXY STATEMENT**

**ANNUAL MEETING OF SHAREHOLDERS**

**JUNE 6, 2013**

**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 6, 2013, and at any adjournments thereof. This proxy statement is being mailed to shareholders on or about April 26, 2013. The 2012 Annual Report on Form 10-K, including consolidated financial statements for the fiscal year ended December 31, 2012, 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 or hold shares of Company common stock (the "Common Stock") through the Company's stock-based benefit plans. (See "Benefit Plan Voting.") 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 26, 2013.

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 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 directions 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 toll-free telephone number. The Internet and telephone voting procedures are designed to authenticate shareholders' identities, and allow shareholders to provide 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 5, 2013.

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, 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 9, 2013 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 440,860,254.

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 management 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 one or more of the nominees proposed by the Board of Directors, AGAINST one or more of the nominees, or ABSTAIN from voting as to one or more of the nominees. Directors are elected by a majority of the votes cast, meaning that the number of votes cast FOR a nominee must exceed the number of votes cast AGAINST that nominee, with broker non-votes and abstentions not counted as a vote cast either FOR or AGAINST that nominee.

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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.

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 approval 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.

**BENEFIT PLAN VOTING**

Active employee-participants in the Company benefit plans that hold Common Stock will receive an e-mail that contains a link to this proxy statement, along with procedures to follow in order to vote the shares of Common Stock credited to each participant's account under the Company benefit plans and the shares of Common Stock (if any) held independently of the Company benefit plans. Retired and inactive employee-participants will receive proxy materials via U.S. mail. Benefit plan voting instructions will be delivered to the trustee for the Company benefit plans and the shares will be voted as directed by participants. Shares for which no voting instructions are provided or are not timely received will be voted by the trustee for the Benefit Plans in the same proportion as the voting instructions the trustee receives from other participants, or in the case of the Company's equity incentive plans, as directed by the Company. Benefit plan voting instructions must be received by 11:30 p.m. Eastern Daylight Time on June 3, 2013.

**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 9, 2013. 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 that date.

Name and Address of Beneficial Owner	Amount and Nature of Beneficial Ownership	Percent of Class
BlackRock, Inc.  40 East 52nd Street  New York, New York 10022	32,698,584 <sup>(1)</sup>	7.45%

(1) Based solely on information filed in a Schedule 13G/A with the SEC on February 8, 2013.

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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 Michael J. Levine, John M. Tsimbinos, Ronald A. Rosenfeld, and Lawrence J. Savarese.

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. If a nominee is not elected by the requisite vote, he must tender his resignation, and the Board of Directors, through a process managed by the Nominating and Corporate Governance Committee, will decide whether to accept the resignation. **It is intended that the shares represented by the enclosed proxy card, if executed, dated, and returned without voting instructions, 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.**

**Table of Contents****INFORMATION WITH RESPECT TO NOMINEES, CONTINUING DIRECTORS, AND EXECUTIVE OFFICERS**

The following table sets forth, as of April 9, 2013, the names of the nominees, continuing directors, and executive officers of the Company, their ages and, as applicable, the year in which he or she 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 by each named executive officer (as defined on page 14) and by all directors and executive officers as a group as of April 9, 2013.

Name	Age	Director Since <sup>(1)</sup>	Shares of Common Stock Beneficially Owned <sup>(2)</sup>	Percent of Class
<b>Nominees for Director</b>				
<b>(whose terms would expire in 2016):</b>				
<i>Michael J. Levine</i>	68	2004	247,360 <sup>(6)</sup>	0.06%
<i>John M. Tsimbinos</i>	75	2003	1,402,436 <sup>(3)</sup>	0.32%
<i>Ronald A. Rosenfeld</i>	74	2012	53,666 <sup>(3,6)</sup>	0.01%
<i>Lawrence J. Savarese</i>	56	2013	17,100 <sup>(3,6)</sup>	0.004%
<b>Directors Whose Terms Expire in 2015:</b>				
<i>Maureen E. Clancy</i>	81	2003	112,729 <sup>(3)</sup>	0.03%
<i>Hanif M. Dahya</i>	57	2007	85,000 <sup>(3,6)</sup>	0.02%
<i>Joseph R. Ficalora</i>	66	1989	5,217,436 <sup>(3,5,6)</sup>	1.18%
<i>James J. O' Donovan</i>	70	2003	1,264,829 <sup>(3,5)</sup>	0.29%
<b>Directors Whose Terms Expire in 2014:</b>				
<i>Dominick Ciampa</i>	79	1995	790,789 <sup>(3)</sup>	0.18%
<i>William C. Frederick, M.D.</i>	85	2001	321,996 <sup>(3,7)</sup>	0.07%
<i>Max L. Kupferberg</i>	93	1983	2,712,861 <sup>(3)</sup>	0.62%
<i>Spiros J. Voutsinas</i>	79	2003	198,070 <sup>(5,6,7)</sup>	0.04%
<i>Robert Wann</i>	58	2008	1,664,564 <sup>(5,6)</sup>	0.38%
<b>Named Executive Officers Who Are Not Directors:</b>				
<i>Thomas R. Cangemi</i>	44		931,251 <sup>(3,5,6,7)</sup>	0.21%
<i>James J. Carpenter</i>	52		407,233 <sup>(3,4,5,6)</sup>	0.09%
<i>John J. Pinto</i>	42		364,147 <sup>(4,5,6)</sup>	0.08%
All directors and executive officers as a group (16 persons)			15,791,467	3.58%

(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 are 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 695,789; Mrs. Clancy 22,581; Mr. Dahya 54,000; Mr. Ficalora 300,863; Dr. Frederick 12,240; Mr. Kupferberg 2,087,391; Mr. O' Donovan 5,318; Mr. Rosenfeld 42,666; Mr. Savarese 100; Mr. Tsimbinos 485,909; Mr. Cangemi 60,335; and Mr. Carpenter 16,166. Mr. Kupferberg's holdings indicated above also include shares held by the Estate of Selma Kupferberg for which Mr. Kupferberg is the Executor.

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- (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. Carpenter 20,000 and Mr. Pinto 56,000.
- (5) Includes the following shares allocated under the NYCB Employee Stock Ownership Plan ( ESOP ): Mr. Ficalora 464,208; Mr. O Donovan 259,738; Mr. Wann 265,930; Mr. Voutsinas 5,596; Mr. Cangemi 34,949; Mr. Carpenter 37,913; and Mr. Pinto 30,673, as well as shares acquired in Messrs. Ficalora s, Cangemi s, and Pinto s ESOP accounts pursuant to dividend reinvestment. Also includes 196,938; 789,233; and 233,678 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

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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 486,549; Mr. Wann 83,438; Mr. O Donovan 84,749; Mr. Cangemi 88,573; Mr. Carpenter 9,201; 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 awards: Mr. Ciampa 60,000; Mrs. Clancy 10,000; Mr. Dahya 31,000; Mr. Ficalora 619,240; Dr. Frederick 3,000; Mr. Kupferberg 3,000; Mr. Levine 43,000; Mr. O Donovan 24,000; Mr. Rosenfeld 11,000; Mr. Savarese 10,000; Mr. Tsimbinos 3,000; Mr. Voutsinas 46,000; Mr. Wann 261,851; Mr. Cangemi 190,817; Mr. Carpenter 165,878; and Mr. Pinto 121,726.
- (7) Dr. Frederick and Messrs. Voutsinas and Cangemi have pledged 318,996, 140,352, 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**

**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 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.

**John M. Tsimbinos.** As the former Chairman of the Board of Roslyn Bancorp, Inc., and the former Chairman of the Board and Chief Executive Officer of TR Financial Corp. and Roosevelt Savings Bank, 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.

**Ronald A. Rosenfeld.** Mr. Rosenfeld has been a member of the Boards of Directors of the Company, the Community Bank, and the Commercial Bank since January 1, 2012, and has served as Chairman of the Advisory Board of the Community Bank s Ohio Savings Bank division since it was established in December 2009. Mr. Rosenfeld is a former Chairman of the Federal Housing Finance Board, having served in that position from 2005 through 2008. From 2001 through 2004, he was President of the Government National Mortgage Association. In addition to serving three years as Secretary of Commerce for the State of Oklahoma, Mr. Rosenfeld previously served one year as Deputy Assistant Secretary for Corporate Finance at the U.S. Treasury Department. Before joining the Treasury Department, he spent three years at the Department of Housing and Urban Development, serving as the Deputy Assistant Secretary for Single-Family Housing, Acting Deputy Assistant Secretary for Multi-Family Housing, and General Deputy Assistant Secretary for the Office of Housing-Federal Housing Commissioner. Prior to his career in public service, Mr. Rosenfeld was an executive with the investment banking firms, Prescott, Ball & Turben, Inc. in Cleveland, Ohio, and Zappala & Company in Pittsburgh, Pennsylvania, and the president of a company that developed more than 10,000 apartment units and managed approximately 6,000 apartment units in a six-state region. With his extensive experience in housing and development, corporate finance, and investment banking, Mr. Rosenfeld brings valuable insight to the Board of the Company in overseeing a wide range of banking and real estate matters, and furthers the Board s objectives of maintaining a membership of experienced and dedicated individuals with diverse backgrounds, perspectives, skills, and other qualities that are beneficial to the Company and the Banks.

**Lawrence J. Savarese.** Mr. Savarese has been a member of the Boards of Directors of the Company, the Community Bank, and the Commercial Bank since March 4, 2013. From 1978 through 2012, Mr. Savarese was with the independent public accounting firm KPMG. For 19 years, he was an Audit Partner in KPMG s Financial

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Services Practice, serving as partner in charge of audits of both community banks (including the Company and the Banks) and international banks with branches and agencies in the United States. During this time, Mr. Savarese served as KPMG's representative to the New York Bankers Association and The Institute of International Bankers. From 2008 to 2011, Mr. Savarese served as Audit Partner, Risk Management, for KPMG's Advisory Practice, where he developed and implemented advisory service protocols in connection with certain requirements of the Public Company Accounting Oversight Board. Prior to his retirement in 2012, Mr. Savarese was an Audit Partner in KPMG's Global Services Centre, where he designed and developed the standardized approach for auditing banks now used by the firm's Global Bank Practice. With his extensive experience in accounting principles, financial reporting rules and regulations, commercial banking, risk management, and corporate finance, Mr. Savarese brings valuable insight to the Board of the Company in overseeing a wide range of banking and financial reporting matters, and furthers the Board's objectives of maintaining a membership of experienced and dedicated individuals with diverse backgrounds, perspectives, skills, and other qualities that are beneficial to the Company and the Banks.

**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, bring 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 and the Banks.

**Hanif Wally M. 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 environmental services industries. The company also 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 LP.

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 and the Banks.

**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 the 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 Community 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 is a member of the Board of Directors of the American Bankers

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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 board of an active subsidiary of the 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, 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 valuable broad industry and specific institutional knowledge and experience 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 as 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 matters critical to the Company's lending businesses. Mr. O Donovan's experience and contributions further 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 and the Banks.

**Dominick Ciampa.** Mr. Ciampa is a 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 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 and the Banks.

**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 his 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 and the Banks.

**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, brings 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 and the Banks.



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**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 his contributions as the President of the Atlantic Bank division of New York Commercial Bank, combined with his prior extensive experience as a Director 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 and the Banks.

**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 led 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 the numerous strategic business combinations it has undertaken.

With over 30 years experience at the Company, Mr. Wann has a deep understanding and thorough knowledge of the Company, its subsidiaries, 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 and the Banks.

## **BUSINESS EXPERIENCE OF NAMED EXECUTIVE OFFICERS WHO ARE NOT DIRECTORS**

**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 since 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 since 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 and 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 and the Community Bank since April 5, 2005; Executive Vice President and Chief Accounting Officer of the Commercial Bank since December 30, 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.

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**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 2012, the Board held 12 regular monthly meetings, and various standing committees of the Board met another 36 times, for an aggregate of 48 meetings. All incumbent directors 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 2012. 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.

Descriptions of the nature and composition of the Audit Committee, the Nominating and Corporate Governance Committee, and the Compensation Committee of the Board of Directors follow:

**Audit Committee.** The Audit Committee of the Board consists of Messrs. Levine (Chairman), Kupferberg, Frederick, Rosenfeld, Dahya, and Savarese, 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 Banks' internal auditors to review the performance of the internal audit function. The Audit Committee met twelve (12) times in 2012. 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 within the Investor Relations portion of our website at [www.myNYCB.com](http://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, Kupferberg, Tsimbinos, Rosenfeld, Savarese, Mrs. 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 a candidate 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, and 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 Company's 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 three (3) meetings during 2012. The Nominating and Corporate Governance Committee acts under a written charter adopted by the Board of

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Directors, a copy of which is available, free of charge, on the corporate governance pages within the Investor Relations portion of the Company's website at [www.myNYCB.com](http://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 Mrs. Clancy (Chairperson) and Messrs. Kupferberg and Levine, 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 four (4) times in 2012, including four (4) 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 within the Investor Relations portion of the Company's website at [www.myNYCB.com](http://www.myNYCB.com), and is available in print to any shareholder who requests a copy.

Consistent with new SEC disclosure requirements, the Compensation Committee has assessed the Company's compensation programs and has concluded that our compensation policies and practices do not create risks that are reasonably likely to have a material adverse effect on the Company. Our Chief Risk Officer has also assessed the Company's executive and broad-based compensation and benefits programs to determine if the programs' provisions and operations create undesired or unintentional risk of a material nature. This risk assessment process included a review of program policies and practices; a program analysis to identify risks and risk controls related to the programs; and determinations as to the sufficiency of risk identification, the balance of potential risk to potential reward, risk controls, and the consistency of the programs and their risks to the Company's strategies. Although we reviewed all compensation programs, we focused on the programs with variability of payout, with the ability of a participant to directly affect payout and the controls on participant action and payout.

Based on the foregoing, we believe that our compensation policies and practices do not create inappropriate or unintended significant risk to the Company as a whole. We also believe that our incentive compensation arrangements provide incentives that do not encourage risk-taking beyond the organization's ability to effectively identify and manage significant risks; are compatible with effective internal controls and our risk management practices; and are supported by the oversight and administration of the Compensation Committee with regard to executive compensation programs.

**Attendance at Annual Meetings.** The Board of Directors expects all directors to attend the Annual Meeting of Shareholders. All of the then serving Board members attended the 2012 Annual Meeting of Shareholders held on June 7, 2012.

**Table of Contents****DIRECTORS COMPENSATION**

The following table provides details of the 2012 compensation received by non-employee directors of the Company. 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.

	Fees			Total (\$)
	Earned or Paid in Cash (\$) <sup>(1)</sup>	Stock Awards (\$) <sup>(2)</sup>	All Other Compensation (\$) <sup>(3)</sup>	
<b>Non-Employee Directors</b>				
Dominick Ciampa	\$ 260,000	\$ 315,000	\$ 45,000	\$ 620,000
Maureen E. Clancy	87,500			87,500
Hanif Dahya	122,000	126,000	22,000	270,000
William C. Frederick, MD	108,000			108,000
Max L. Kupferberg	176,000			176,000
Michael J. Levine	295,600	189,000	31,000	515,000
Hon. Guy V. Molinari	79,000		1,043	80,043
James J. O Donovan		126,000	18,000	144,000
Robert A. Rosenfeld	112,900	126,000	10,000	248,900
John M. Tsimbinos	214,400			214,400

(1) Upon his retirement as a senior officer of the Company in 2006, Mr. O Donovan entered into a retirement agreement with the Company providing, among other things, for an annual supplemental retirement payment of \$475,000, his acceptance of certain restrictive covenants relating to his future business activities in the banking industry, and his services as a consultant to the Company on lending matters. This agreement currently is in effect through the end of 2015. Mr. O Donovan does not receive additional cash compensation for his services as a director of the Company or its affiliates.

(2) 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 2012 awards were made in the form of restricted stock vesting over a five-year period.

(3) All Other Compensation includes dividends received on unvested restricted stock.

**Director Fees.** In 2012, 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. Our Chairman, Mr. Ciampa, receives a quarterly retainer of \$65,000. He does not receive Board or committee meeting fees. Mr. Levine, our Audit Committee Chairman, also receives a quarterly retainer of \$5,000 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



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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 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.** Non-employee directors also participate from time to time in the Company's stock compensation programs. Typically, awards are made in the form of restricted stock vesting over a five-year period.

**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.

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### EXECUTIVE COMPENSATION AND RELATED INFORMATION

#### 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

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

#### Our Company in 2012

New York Community Bancorp remains one of the top performing bank holding companies in the nation, as demonstrated by our financial performance in 2012. Notwithstanding the continued decline in market interest rates and the growing costs of regulatory compliance, we increased our earnings, loans and deposits year-over-year; improved our asset quality; and maintained our position of capital strength.

Earnings rose \$21.1 million year-over-year, to \$501.1 million, providing a 1.28% return on average tangible assets and a 16.80% return on average tangible stockholders' equity. In addition, our diluted earnings per share rose from \$1.09 in 2011 to \$1.13 in 2012.

Total loans rose \$1.5 billion year-over-year to \$31.8 billion, driven by a \$1.7 billion, or 6.9%, rise in held-for-investment loans to \$27.3 billion.

Reflecting both organic growth and an earnings-accretive transaction, deposits rose \$2.6 billion, or 11.4%, year-over-year, to \$24.9 billion.

Non-performing non-covered assets declined 29.2% year-over-year, to \$290.6 million, representing 0.71% of total non-covered assets at December 31, 2012. In addition, net charge-offs declined 58.9% year-over-year, to \$41.3 million, representing 0.13% of average loans in 2012.

Tangible stockholders' equity rose to \$3.2 billion, representing 7.65% of tangible assets at December 31, 2012.

With assets of \$44.1 billion at the end of December, we ranked 20th among the nation's financial institutions and, with a market cap of \$5.8 billion, ranked 18th among all publicly traded banks and thrifts.

We attribute our ability to sustain our rank as a leading financial institution to our consistent business model, which consists of:

**Multi-Family Lending:** We are the leading producer of multi-family loans for portfolio in New York City, with a focus on apartment buildings that are primarily rent-regulated and therefore feature below-market rents. Multi-family loans represented \$18.6 billion, or 68.2%, of total non-covered loans held for investment at the end of December, and \$5.8 billion, or 64.6%, of total loans produced for investment in 2012.

**Maintaining Conservative Credit Standards to Support a Superior Record of Asset Quality:** In 2012, we extended our long-held record of producing quality assets by adhering to our conservative credit standards and focusing primarily on our multi-family lending niche. In addition to the improvements noted above, our balance of non-performing non-covered loans declined 19.8% year-over-year, to \$261.3 million, representing 0.96% of total non-covered loans at December 31st.

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**Residential Mortgage Banking:** In 2012, we funded \$10.9 billion of one-to-four family loans for sale through our mortgage banking operation, and ranked 13th among the nation's top aggregators of one-to-four family loans at the end of the year. As a result, mortgage banking income rose 121.4% year-over-year, to \$178.6 million, representing 12.3% of our total revenues in 2012.

**Our Efficient Operation:** With an efficiency ratio of 40.75% in 2012, we maintained our status as one of the most efficient bank holding companies in the United States. Among the actions we took in 2012 to enhance the efficiency of our operation were consolidating the systems used throughout our network of 275 branches; unifying our product mix and the financial services we offer; and repositioning \$3.5 billion of borrowed funds to reduce our funding costs.

**Growth Through Acquisitions:** Most of the Company's growth has been driven by earnings-accretive transactions, with 10 mergers and acquisitions taking place from November 2000 to March 2010. In June 2012, we completed our 11th transaction, with the assumption of deposits from Aurora Bank FSB. In addition to expanding our customer base and increasing our deposits, the transaction supported our margin by enabling us to further reduce our cost of funds.

### 2012 Executive Compensation Highlights

The results of our 2012 executive compensation program reflect our success, as our executive management team continued to implement our business strategy and produce results in key performance categories that exceed those of our peers. Our talented executive management team, led by Mr. Ficalora, was crucial to our ability to implement our strategic plan and achieve success in 2012. We believe a contributing factor toward the strength of our 2012 results is the alignment of their compensation with our financial performance.

The following are the highlights of our 2012 executive compensation program:

Our stockholders approved the 2012 Stock Incentive Plan, adding 18 million shares to our equity compensation program. The new plan ensures the continued availability of equity compensation as a component of our compensation strategy, which, historically, has provided our named executive officers with over 50% of their total compensation.

The Compensation Committee reviewed the performance metrics applicable to our short- and long-term incentive awards to ensure that they continued to support the attainment of operational objectives that are critical to the Company's success in the current economic environment and reflect sound risk management. The metrics established for 2012 included the following: (i) return on average assets, (ii) efficiency ratio, (iii) net loan and lease charge-offs as a percentage of average loans and leases and (iv) Tier 1 capital ratio.

The Compensation Committee reviewed and modified the range of incentive compensation opportunities for our named executive officers as a percentage of their base salary. The adjustments reflected the Committee's assessment of peer group data provided by the Committee's independent compensation consultant.

Based on our rank as the top performer relative to our peers, our named executive officers received short- and long-term incentive awards near the maximum of the range of incentive compensation opportunities established by the Compensation Committee.

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.

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Consistent with our long-standing emphasis on variable pay, and our practice of infrequent adjustments to base salary, our named executive officers, other than Mr. Ficalora, received salary increases averaging seven percent. This increase was the first base salary adjustment for these officers in three years. Mr. Ficalora received an increase to \$1,250,000, representing his first base salary increase since

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2008 (which was an increase to \$1,000,000 from \$975,000) and his first significant increase since 2004 when his base salary was set at \$975,000. The salary increases were intended to recognize individual performance and to maintain a competitive balance relative to similarly situated officers in the peer group.

The Compensation Committee reviewed and 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 with the assistance of the Committee's independent compensation consultant.

Our senior executives continued to hold significant ownership interests in the Company, which reflect a significant portion of their individual net worth.

### **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 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 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).

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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 three years, our program has achieved this balance in the mix of compensation, producing results, on average, within the following parameters:

	Base Compensation	Annual Cash Incentives	Long-Term Equity Incentives
Chief Executive Officer	19%	29%	52%
Chief Operating Officer	27%	30%	43%
Other Named Executive Officers	30%	25%	45%

To achieve the desired balance, our Compensation Committee works closely with a nationally recognized, independent compensation consultant firm that provides us with their expertise on competitive compensation practices, helps us to benchmark our compensation program to our peers, identifies best practices in the industry, and analyzes 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 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 reflective of their individual performance, experience and contributions. Base salaries reflect the fixed portion of our total compensation and a reference point for targeting incentive compensation opportunities. As part of our salary review process, we obtain peer group information from our independent compensation consultant to help provide context 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 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. Consistent with regulatory principles, we also support the premise that executives with long-term incentives are aligned best with the time horizon of the risks associated with our business.

We use our equity-based compensation program to reward our executives for their performance and 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 tool.

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, our financial performance relative to our peers, 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 align with our desired philosophy. In 2012, we continued to provide our management team with stock grants that focus on, and reward management for, the attainment of financial goals relative to our peer group.

In late 2011, the Company initiated an analysis of the existing equity compensation program and concluded that a new equity plan would be necessary after 2012 to ensure the continued availability of equity compensation for the Company's long-term incentive program. Shareholders approved a new equity plan at the 2012 Annual Meeting, adding 18 million shares to the Company's equity compensation program to support our pay-for-performance objectives. The new plan replaced the Company's prior plan, which was approved by shareholders in 2006.

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**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 ( MICIP ), 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 MICIP 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. In general, our intent is to provide specific awards based upon predetermined objectives, although the Compensation Committee may exercise negative discretion with regard to the final payout amounts. Under the MICIP, 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 MICIP, the Compensation Committee may only make downward adjustments in the award. The Compensation Committee also retains the right to provide cash awards to our named executive officers and other key personnel outside the MICIP.

**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 similarly sized, 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 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 two and one-half times our asset size. Below are the 15 financial institutions meeting those criteria that constituted our 2012 peer group:

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

The peer group is reviewed and updated annually and may change periodically as a result of the Company's own growth, industry consolidation, and changes in a peer company's business focus or condition. The 2012 peer group has a median asset size of approximately \$39 billion, providing close comparability to the Company.

**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

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Committee, which in 2012 included three 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 periodically to ensure that it is consistent with the Committee's expected role and applicable legal and listing requirements. 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 2012, the Compensation Committee met four (4) times, including four (4) executive sessions attended by Committee members only.

## **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. The Committee also regularly 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 2012, PM&P's services included conducting a comprehensive competitive benchmark review and peer group performance analysis, and analyzing our performance relative to our peer group for the Compensation Committee's use in determining incentive plan awards. The Compensation Committee has reviewed PM&P's consultation services and concluded that they comply with the new standards adopted by the SEC and by the NYSE with regards to compensation advisor independence and conflicts of interest. The Committee will continue to monitor this compliance on an ongoing basis.

## **Role of Management**

Although the Committee is ultimately responsible for executive compensation decisions, information and input from Mr. Ficalora, our Chief Executive Officer, are 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 he did not participate in Committee discussions relating to the determination of his compensation in 2012, consistent with long standing practice. 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 2012 Executive Compensation**

### **Alignment of Pay and Performance**

In March 2013, PM&P provided the Compensation Committee with an analysis of our performance compared to our peers for the purposes of determining incentive awards. The report was presented to the Compensation Committee and used in finalizing short-and long-term incentive awards for the executives in 2012.

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Overall, the PM&P confirmed the continuing efficacy of our pay-for-performance philosophy. Considering the four performance metrics selected by the Committee for our 2012 incentive program (i) return on average assets, (ii) efficiency ratio, (iii) net loan and lease charge-offs as a percentage of average loans and leases, and (iv) Tier 1 capital ratio we ranked first on average when compared to the 15 companies in our peer group. This ranking is consistent with our position relative to our peers in each of the last three years.

In April, 2013, PM&P provided the Compensation Committee with a peer compensation analysis that benchmarked our 2012 pay and performance levels, and indicated the strength of our pay-for-performance alignment in 2012 relative to our peers. For 2012, on both a cash compensation and a total direct compensation basis (considering cash and equity compensation), our named executive officers ranked in the 75<sup>th</sup> percentile among our 15 peers. The PM&P assessment also indicated that our five-year total shareholder return ranked fourth among our peers, while our Chief Executive Officer was the third highest paid among peer group chief executive officers on the basis of total direct compensation (base salary, cash incentive compensation, and equity incentive compensation).

Taken together, 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, when considering our specific performance metrics, general financial measures, and/or total shareholder return. Our status as a high performer is directly reflected in the compensation levels of our named executive officers. The review clearly supports the conclusion that, even in a difficult operating environment, our strategy is working, and that the compensation of our named executive officers is closely aligned with our consistently high performance, is appropriately positioned relative to the performance of our peers, and is based on the strength of our performance.

### **2012 Base Compensation Review**

Consistent with our objective of maintaining the share of variable pay in the total compensation of our named executive officers, the Committee, for the first time in three years, authorized relatively modest salary increases for our named executive officers, other than Mr. Ficalora. The increases averaged seven percent. Mr. Ficalora received his first base pay increase since 2008 (when he received a 3% increase to \$1,000,000) and his first significant increase since 2004 (when he received a 15% increase from \$850,000 to \$975,000). The Committee determined that adjustments were necessary to ensure that base salaries remained competitive with similarly situated officers employed by the Company's peers, and to maintain base compensation at a level consistent with each officer's level of responsibility and high level of performance. The 2012 adjustments placed our named executive officers, on average, at the 70<sup>th</sup> percentile of the peer group.

### **2012 Incentive Compensation Awards**

Our Chief Executive Officer and other named executive officers were all eligible to receive incentive compensation awards in 2012. In 2012, 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 our desire to reinforce sound risk management practices. For 2012, our performance metrics were as follows:

**Efficiency Ratio** *(non-interest expense before foreclosed property expense, amortization of intangibles, and goodwill impairments as a percentage of net interest income and non-interest revenues, excluding gains from securities transactions and non-recurring items)*

**Net Charge-offs as a Percentage of Average Loans and Leases** *(loans and leases charged off, net of recoveries, as a percentage of average loans, net of average guaranteed loans, and leases)*

**Return on Average Assets** *(net income as a percentage of average assets)*

**Tier 1 Capital Ratio** *(Tier 1 Capital as a percentage of total risk-adjusted assets)*

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For each metric, our performance is assessed based on how we perform 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 companies that are similar. Actual awards are determined by reference to the Company's average percentile rank on each of the four metrics, relative to the average percentile ranking of each peer group company. In determining the average percentile rank, each performance objective is weighted equally for the Company and each peer group company. The overall percentile ranking is then assessed against the range of incentive compensation award opportunities to determine the level of potential award for each executive. Specific award opportunities for the short-term and long-term awards are 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, and particularly long-term equity, compensation. The following tables illustrate the award opportunities for our named executive officers, expressed as a percentage of 2012 base compensation, over the indicated range of performance:

**2012 Short-Term Cash Incentive Compensation Award Opportunities***(As a % of Base Salary)*

	<b>Threshold</b>	<b>Target</b>	<b>Maximum</b>
Mr. Ficalora	31.25	125	187.5
Mr. Wann	22.5	90	135
Mr. Cangemi	17.5	70	105
Mr. Carpenter	17.5	70	105
Mr. Pinto	17.5	70	105

**2012 Long-Term Equity Incentive Compensation Award Opportunities***(As a % of Base Salary)*

	<b>Threshold</b>	<b>Target</b>	<b>Maximum</b>
Mr. Ficalora	50	200	300
Mr. Wann	31.25	125	187.5
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 on the designated performance metrics compared to the peer group as a whole. In order to achieve a threshold award, performance must exceed the 25<sup>th</sup> percentile of the peer group average; target awards reflect performance at the 50<sup>th</sup> percentile of the peer group average; and maximum awards require a rank better than the 75<sup>th</sup> percentile of the peer group average performance.

In March 2013, PM&P independently reviewed our 2012 financial results against our peer group to determine our rank on a percentile basis for each of the four designated performance metrics. Based on this review, our performance ranked highest among our peers on average (i.e., we were ranked at the 100<sup>th</sup> percentile of the peer group average with an average rank at the 85<sup>th</sup> percentile for all four metrics).

The following table indicates the Company's actual performance level with respect to each metric and the percentile ranking for each metric relative to the peer group:

<b>2012 Performance Metric</b>	<b>2012 Actual Performance</b>	<b>2012 Percentile Ranking Relative to Peer Group</b>
Efficiency Ratio	40.75%	93 <sup>rd</sup>
Return on Average Assets	1.18%	80 <sup>th</sup>
Tier 1 Capital Ratio	13.38%	80 <sup>th</sup>



Net Charge-Offs as a Percentage of Average Loans

0.13%

87<sup>th</sup>

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Accordingly, with respect to 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 under both programs. However, the Committee authorized modest downward adjustments to the actual awards to promote closer alignment for each officer with similarly situated officers at the peer group companies. 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 that appear later in this proxy statement. 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 2012 total direct compensation of the Company's named executive officers would generally rank each above the market median for officers with similar positions in the Company's peer group, that this positioning was consistent with the Company's superior performance, and that this validated the Company's pay-for-performance philosophy.

## **Other Executive Benefits**

### **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 interests 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. The current agreements, which are identical in form, have been in place since 2006 without modification. 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 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 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 our employees to supplement their retirement savings with elective deferred contributions. In addition, certain of our named executive officers are entitled to benefits at retirement under our tax-qualified pension plan and a related non-qualified 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 non-qualified 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 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.

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### **Perquisites**

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.

### **Other Considerations**

#### **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. As currently structured and approved, our incentive programs meet the requirements of performance-based pay pursuant to Internal Revenue Code Section 162(m).

#### **Risk Management and Our Compensation Program**

A central tenet of our compensation philosophy is to provide incentives that are consistent with prudent risk management while recognizing that some level of risk is inherent in the operation of our business. Our Compensation Committee monitors our incentive compensation program on an annual basis to ensure that the program reflects a balanced mix of incentives that discourage unnecessary or excessive risk taking by our management team and by employees throughout the organization. For our senior management, this approach has resulted in a program that incorporates performance measures that reflect an inherent sensitivity to risk, and defers a significant portion of the executive's annual compensation to future years. We maintain a comprehensive risk management process and strong internal controls to manage risks arising out of our incentive compensation program. We do not believe that the risks arising out of our incentive compensation program are reasonably likely to have a material adverse effect on the Company.

#### **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 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

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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 because, 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 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

Max L. Kupferberg

Michael J. Levine

**Table of Contents****Summary Compensation Table**

The following information is furnished for the Company's principal executive officer, principal financial officer and the next three highest compensated executive officers of the Company (the named executive officers) for the 2012 fiscal year.

Name and Principal Position	Year	Salary (\$)	Stock Awards <sup>(1)</sup> (\$)	Non-Equity Incentive Plan Compensation <sup>(2)</sup> (\$)	All Other Compensation <sup>(3)</sup> (\$)	Total Compensation (\$)
Joseph R. Ficalora	2012	1,250,000	3,641,301	2,200,000	1,683,813	8,775,114
President and Chief Executive Officer	2011	1,000,000	2,677,526	1,500,000	1,543,640	6,721,166
	2010	1,000,000	2,587,500	1,250,000	763,183	5,600,683
Robert Wann	2012	800,000	1,460,006	1,000,000	757,526	4,017,532
Senior Executive Vice President and Chief Operating Officer	2011	750,000	1,147,520	844,000	660,604	3,402,124
	2010	700,000	1,035,000	750,000	402,089	2,887,089
Thomas R. Cangemi	2012	650,000	950,002	660,000	520,042	2,780,044
Senior Executive Vice President and Chief Financial Officer	2011	600,000	917,990	450,000	452,025	2,420,015
	2010	560,000	776,250	400,000	307,949	2,044,199
James J. Carpenter	2012	550,000	800,012	570,000	437,272	2,357,284
Senior Executive Vice President and Chief Lending Officer	2011	525,000	803,225	394,000	402,659	2,124,884
	2010	500,000	690,000	300,000	267,430	1,757,430
John J. Pinto	2012	450,000	650,008	450,000	267,094	1,817,102
Executive Vice President and Chief Accounting Officer	2011	400,000	612,015	300,000	227,172	1,539,187
	2010	330,000	483,000	250,000	221,735	1,284,735

(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. Please refer to Note 12 of our financial statements in our annual reports for the years ended December 31, 2012, 2011 and 2010 for additional discussion of the determination of these values. All 2012 awards were made in the form of restricted stock vesting in equal installments over a five-year period. See the *Compensation Discussion and Analysis* and the *Grants of Plan-Based Awards* table for additional information concerning the 2012 awards.

(2) Represents an award for 2012 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 2012 awards.

(3) The following table sets forth the components of the *All Other Compensation* column in 2012:

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Name	Dividends		Life		ESOP Allocation <sup>(b)</sup>	Total
	on Unvested Restricted Stock	Medical Reimbursement	Tax Reimbursement <sup>(a)</sup>	Insurance Imputed Income		
	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)
Mr. Ficalora	451,444	5,097	1,174,773	40,113	12,686	1,683,813
Mr. Wann	198,655	3,717	530,740	11,728	12,686	757,526
Mr. Cangemi	155,623	8,523	340,625	2,585	12,686	520,042
Mr. Carpenter	137,981		283,960	2,645	12,686	437,272
Mr. Pinto	93,166		159,738	1,504	12,686	267,094

(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 \$13.10 per share closing price of the Common Stock on the allocation date, December 31, 2012.

**Table of Contents****Grants of Plan-Based Awards**

The following table provides information concerning the 2012 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 <sup>(1)</sup>			Estimated Future Payouts Under Equity Incentive Plan Awards <sup>(2)</sup>			Grant Date Fair Value of Stock Awards <sup>(3)</sup>
	Threshold (\$)	Target (\$)	Maximum (\$)	Threshold (\$)	Target (\$)	Maximum (\$)	(\$)
Mr. Ficalora	390,625	1,562,500	2,343,750	125,000	2,500,000	3,750,000	3,641,301
Mr. Wann	180,000	720,000	1,080,000	250,000	1,000,000	1,500,000	1,450,006
Mr. Cangemi	113,750	455,000	682,500	162,500	650,000	975,000	950,002
Mr. Carpenter	96,250	385,000	577,500	137,500	550,000	825,000	800,012
Mr. Pinto	78,750	315,000	472,500	112,500	450,000	675,000	650,008

(1) Represents 2012 non-equity incentive award opportunity levels under the Company's Management Incentive Compensation Plan. In 2012, the named executive officers were eligible for awards at the maximum level based on the performance of the Company. Actual awards were made at levels slightly below the maximum level. The awards were made on March 19, 2013.

(2) Represents 2012 equity incentive compensation award opportunity levels. In 2012, the named executive officers were eligible for awards at the maximum level based on the performance of the Company. Actual awards were made at levels slightly below the maximum level. The awards were made on March 19, 2013.

(3) Represents the grant date fair value determined in accordance with FASB ASC Topic 718 of the 2012 equity incentive plan awards. The awards were made on March 19, 2013 in the form of restricted stock that will vest in equal installments over a five-year vesting period.

**Vested Stock**

The following table provides information concerning restricted stock that vested during the 2012 fiscal year for the named executive officers.

	Restricted Stock Vesting Value	
	Shares Acquired on Vesting	Realized on Vesting (\$) <sup>(1)</sup>
Mr. Ficalora	100,000	1,375,200
Mr. Wann	47,000	645,980
Mr. Cangemi	37,200	511,666
Mr. Carpenter	33,400	459,384
Mr. Pinto	20,600	283,198

(1) The value realized on vesting is based on the value of the Company's stock on the applicable vesting dates (March 25 and March 31, April 4 and April 28, 2012). The value realized on vesting is also the amount realized as 2012 income by each named executive officer.

**Table of Contents****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, 2012. All stock options are fully exercisable. The market value of unvested restricted stock is based on the \$13.10 closing price of the Common Stock on December 31, 2012.

	Number of Securities Underlying Exercisable Options (#) <sup>(1)</sup>	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	373,333	16.0575	1/21/13	476,925	6,247,717
Mr. Wann	342,885	16.0575	1/21/13	208,540	2,731,874
Mr. Cangemi				163,630	2,143,553
Mr. Carpenter	21,333	16.0575	1/21/13	144,775	1,896,552
	20,000	23.4975	9/16/13		
Mr. Pinto	21,333	16.0575	1/21/13	99,555	1,304,170
	36,000	23.4975	9/16/13		
	20,000	18.1700	4/05/15		

(1) Messrs. Ficalora, Wann, Carpenter, and Pinto held stock options that expired unexercised in 2012 and 2013. No stock options were exercised by the named executive officers in 2012.

**Pension Benefits**

The following table provides certain information as of December 31, 2012 with respect to each pension plan that provides for payments or other benefits to the named executive officers at retirement.<sup>(1)</sup>

	Plan Name	Number of Years of Credited Service (#)	Present Value of Accumulated Benefit (\$)
Mr. Ficalora	Supplemental Retirement Plan	33	2,955,523
Mr. Wann	Retirement Plan	17	520,272
	Supplemental Retirement Plan	17	152,484
Mr. Cangemi	Retirement Plan	0.4	6,996
Mr. Carpenter	Retirement Plan	9	134,525
Mr. Pinto	Retirement Plan		

(1) The Retirement Plan, a tax-qualified defined benefit pension plan, and the 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.



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Mr. Pinto did not participate in either plan. Mr. Ficalora received an in-service distribution of his Retirement Plan Benefit in 2009.

### **Non-Qualified Defined Contribution Plan Benefits**

The following table represents the value of the executive's account balance at December 31, 2012 under certain ESOP-related provisions of the Company's Supplemental Executive Retirement Plan.

	<b>Value of Aggregate Balance at Last Fiscal Year-End (1) (\$)</b>
Mr. Ficalora	10,152,290
Mr. Wann	2,533,317

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- (1) The 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. A change in control-related ESOP benefit was retained for certain officers. No annual allocations have been made since 1999. Messrs. Ficalora and Wann have 774,984 and 193,383 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 \$13.10 for the Common Stock on December 31, 2012. 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 as a result 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 executive receives no further payments or benefits under their agreement 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

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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.

The following table summarizes the estimated severance payments and benefits available to the executives under their employment agreements in the event of their termination of employment as of December 31, 2012 in the indicated circumstances:

	Termination Without Cause or For Good		Code Section 4999 Indemnification
	Reason (\$)	Disability <sup>(1)</sup> (\$)	<sup>(2)</sup> (\$)
<b>Joseph R. Ficalora</b>			
Cash severance	14,866,494	2,049,966	11,662,073
In-kind benefits	41,724	41,724	
<b>Robert Wann</b>			
Cash severance	8,233,221	1,149,966	4,770,780
In-kind benefits	41,724	41,724	
<b>Thomas R. Cangemi</b>			
Cash severance	5,735,244	849,966	3,061,207
In-kind benefits	63,684	63,684	
<b>James J. Carpenter</b>			
Cash severance	5,430,492	649,968	2,634,659
In-kind benefits	63,684	63,684	
<b>John J. Pinto</b>			
Cash severance	3,340,551	450,000	1,619,536
In-kind benefits	62,136	62,136	

(1) Represents an undiscounted aggregate benefit of 100% base salary continuation for six months after termination by reason of disability and 60% base salary continuation for an additional 30 months reduced by the maximum annual long-term disability payments under the Company's disability plan (\$180,000).

(2) The estimated Section 4999 tax indemnification payment applies only if the executive's severance payments and benefits, when aggregated with other payments and benefits made or provided in connection with the change in control, results in an excess parachute payment under Section 280G of the Code. Absent a change in control of the Company (within the meaning of Section 280G), no amount would be payable as tax indemnification if the executive's employment were terminated in circumstances that give rise to a severance obligation. The calculation of the indemnification payment takes into account excess parachute payments triggered under plans or arrangements other than the employment agreements, including the accelerated vesting of restricted stock awards and, as applicable, the Supplemental Change in Control ESOP benefit.

**Accelerated Vesting of Restricted Stock Awards**

In the event of a change in control of the Company (as defined in our 2012 Stock Incentive Plan), all unvested shares of restricted stock held by our named executive officers would vest. If a change in control had occurred on December 31, 2012, the value of the shares (based on a closing price of \$13.10) subject to acceleration would have been as follows: Mr. Ficalora (\$6,247,717); Mr. Wann (\$2,731,874); Mr. Cangemi (\$2,143,553); Mr. Carpenter (\$1,896,552); and Mr. Pinto (\$1,304,170).



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***Supplemental Change-in-Control ESOP Benefit***

The Company maintains a nonqualified supplemental plan in connection with the ESOP that was designed to provide certain of our officers with benefits that cannot be allocated to them directly through the ESOP as a result of certain limitations under the Internal Revenue Code. Messrs. Ficalora and Wann have participated in the plan since 1993. The plan was amended in December 2002 to add Mr. Cangemi as a participant but only with respect to the separate change-in-control provision described below. The supplemental plan was frozen in 1999 with respect to annual allocations. However, in the event of a change in control of the Company (as defined in the plan), Messrs. Ficalora, Wann, and Cangemi, the only named executive officers participating in the plan, would be credited with the value of the allocations they would have received under the plan had it been in effect on an annual basis since 1999 (2002 for Mr. Cangemi). The account balance would also be adjusted to reflect stock and reinvested cash dividends payable over the same period. Assuming a change in control had occurred at December 31, 2012, the value of the additional benefits payable under the plan (based on a closing price of \$13.10) are estimated to be as follows: Mr. Ficalora (\$8,180,622), Mr. Wann (\$1,617,181), and Mr. Cangemi (\$621,254).

**OTHER INFORMATION RELATING TO DIRECTORS AND EXECUTIVE OFFICERS**

**Transactions with Certain Related Persons**

The federal banking laws require that all loans or extensions of credit to executive officers and directors must be made on substantially the same terms, including interest rates and collateral, and follow substantially the same credit underwriting procedures, as those prevailing at the time for comparable transactions with other persons, and must not involve more than the normal risk of repayment or present other unfavorable features. The Community Bank, from time to time, may make mortgage loans to its directors, officers, and employees, including consumer loans or loans to purchase or refinance personal residences, and may make loans secured by income-producing properties to entities in which a director or officer has an ownership or, in the case of directors, a management interest, provided that all such loans are made in accordance with federal banking laws and are made in the ordinary course of business; do not involve more than normal risk of collectability, or present other unfavorable features; and are made on substantially the same terms, including interest rates and collateral requirements, as those prevailing at the same time for comparable transactions with unaffiliated persons.

From time to time, in accordance with written policies, the Board of Directors reviews a summary of the Company's transactions with directors and executive officers of the Company and with firms that employ directors, as well as any other related-person transactions, for the purpose of recommending to the disinterested members of the Board of Directors that the transactions are fair, reasonable, and within Company policy, and should be ratified and approved. The Board of Directors also reviews any transactions reported to the Board by the Company's Corporate Secretary that are required to be reported under SEC regulations. Additionally, in accordance with federal regulations, the Board of Directors reviews all loans made to a director or executive officer in an amount that, when aggregated with the amount of all other loans to such person and his or her related interests, exceed the greater of \$25,000 or 5% of the Company's capital and surplus (up to a maximum of \$500,000) and such loan must be approved in advance by a majority of the disinterested members of the Board of Directors. Further, pursuant to the Company's Code of Business Conduct and Ethics and other business standards applicable to them, all executive officers and directors of the Company must disclose any existing or emerging conflicts of interest to the Chief Executive Officer. Such potential conflicts of interest include, but are not limited to, any position or interest, financial or otherwise, which could materially conflict with an executive officer's or director's performance or which affects such executive officer's or director's independence or judgment concerning transactions between the Company, its customers, suppliers, or competitors.

**Section 16(a) Beneficial Ownership Reporting Compliance**

Section 16(a) of the Securities Exchange Act of 1934, as amended, requires the Company's executive officers and directors, and persons who own more than 10% of a registered class of the Company's equity

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securities, to file reports of ownership and changes in ownership with the SEC. Executive officers, directors, and greater than 10% shareholders are required by the SEC regulations to furnish the Company with copies of all Section 16(a) forms they file.

Based solely on its review of copies of the reports of ownership furnished to the Company, or written representations that no other reports were required, the Company believes that during the 2012 fiscal year, its executive officers and directors complied with applicable reporting requirements for transactions in the Company's Common Stock.

### **AUDIT-RELATED MATTERS**

#### **Audit Committee Report to Shareholders**

The Audit Committee of the Company's Board of Directors is composed of Messrs. Levine, Kupferberg, Rosenfeld, Dahya, Savarese, and Dr. Frederick, all of whom are non-employee, independent directors, and operates under a written charter adopted by the Board of Directors.

The Company's management is responsible for the Company's internal control over financial reporting. The independent registered public accounting firm is responsible for performing an independent audit of the Company's consolidated financial statements and issuing an opinion on the conformity of those financial statements with generally accepted accounting principles. The independent registered public accounting firm is also responsible for issuing an opinion on the effectiveness of the Company's internal control over financial reporting. The Audit Committee oversees the Company's internal controls and financial reporting process on behalf of the Board of Directors.

In this context, the Audit Committee has met and held discussions with management and the independent registered public accounting firm during 2012. Management represented to the Audit Committee that the Company's consolidated financial statements were prepared in accordance with generally accepted accounting principles, and the Audit Committee has reviewed and discussed the consolidated financial statements with management and the independent registered public accounting firm. The Audit Committee discussed with the independent registered public accounting firm matters required to be discussed by Statement on Auditing Standards No. 61, as amended (AICPA, Professional Standards, Vol. 1 AU Section 380), as adopted by the Public Company Accounting Oversight Board in Rule 3200T, including the quality, not just the acceptability, of the Company's accounting principles, the reasonableness of significant judgments, and the clarity of the disclosures in the financial statements.

In addition, the Audit Committee has received the written disclosures and the letter from the independent registered public accounting firm required by the applicable requirements of the Public Company Accounting Oversight Board (United States), and has discussed with the independent registered public accounting firm, its independence from the Company and its management. In concluding that the independent registered public accounting firm is independent, the Audit Committee considered, among other factors, whether the non-audit services provided by the independent registered public accounting firm in 2012 were compatible with its independence.

The Audit Committee discussed with the Company's independent registered public accounting firm the overall scope and plans for its 2013 audit. The Audit Committee meets with the independent registered public accounting firm, with and without management present, to discuss the results of their examination, their evaluation of the Company's internal control over financial reporting, and the overall quality of the Company's financial reporting process.

In performing all of these functions, the Audit Committee acts only in an oversight capacity. In its oversight role, the Audit Committee relies on the work and assurances of the Company's management, which has the

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primary responsibility for financial statements and reports, and of the independent registered public accounting firm, which, in its reports, expresses an opinion on the conformity of the Company's financial statements to generally accepted accounting principles and an opinion on the effectiveness of the Company's internal control over financial reporting. The Audit Committee's oversight does not provide it with an independent basis to determine that management has maintained appropriate accounting and financial reporting principles or policies, or appropriate internal control over financial reporting designed to assure compliance with accounting standards and applicable laws and regulations. Furthermore, the Audit Committee's considerations and discussions with management and the independent registered public accounting firm do not assure that the Company's financial statements are presented in accordance with generally accepted accounting principles, that the audit of the Company's financial statements has been carried out in accordance with the standards of the Public Company Accounting Oversight Board (United States), or that the Company's independent registered public accounting firm is in fact independent.

In reliance on the reviews and discussions referred to above, the Audit Committee recommended to the Board of Directors, and the Board approved, that the audited consolidated financial statements be included in the Company's Annual Report on Form 10-K for the year ended December 31, 2012 for filing with the SEC. The Audit Committee and the Board of Directors also have approved, subject to shareholder ratification, the selection of the Company's independent registered public accounting firm to audit the Company's consolidated financial statements for the year ending December 31, 2013.

**The Audit Committee**

Michael J. Levine, Chairman

Max L. Kupferberg

William C. Frederick, M.D.

Ronald A. Rosenfeld

Hanif Dahya

Lawrence J. Savarese

**Audit and Non-Audit Fees**

The following table presents fees for professional services rendered by KPMG LLP for the audit of the Company's consolidated financial statements for fiscal 2012 and 2011, and fees billed for audit-related services, tax services, and all other services rendered by KPMG LLP for fiscal 2012 and 2011.

	<b>Year Ended</b>	
	<b>2012</b>	<b>2011</b>
Audit Fees	\$ 1,510,000 <sup>(1)(2)</sup>	\$ 1,497,500 <sup>(1)(2)</sup>
Audit-Related Fees	\$ 301,000 <sup>(3)</sup>	\$ 234,500 <sup>(3)</sup>
Tax Fees	\$ 12,885 <sup>(4)</sup>	\$ 32,213 <sup>(4)</sup>
All Other Fees	\$ 508,739 <sup>(5)</sup>	\$ 1,716 <sup>(6)</sup>

(1) Includes fees billed for professional services rendered in connection with the audit of the Company's annual financial statements, the review of its financial statements included in the Company's quarterly reports, and the Sarbanes-Oxley Section 404 attestation.

(2) Includes fees billed for professional services rendered in connection with the audit of the Company's and NYCB Mortgage Company, LLC's compliance with U.S. Department of Housing and Urban Development-assisted programs and the Uniform Single Attestation Program.

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- (3) Includes fees billed for professional services rendered in connection with audits of the Company's stock ownership, employee benefit, and retirement plans financial statements and the audit of Company's compliance with certain provisions of FDIC acquisition agreements.
- (4) Includes fees for professional services rendered in connection with tax services relating to certain state and local tax matters, and tax audit support services.
- (5) Includes fees for professional services rendered in connection with model validation of certain risk models of the Company and KPMG Accounting Research Online renewal license for June 30, 2012 to June 30, 2013.
- (6) Includes fees rendered in connection with KPMG Accounting Research Online renewal of license for June 30, 2011 to June 30, 2012.

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**PROPOSAL 2.**

**(RATIFICATION OF THE APPOINTMENT OF**

**INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM)**

The Company's independent registered public accounting firm for the fiscal year ended December 31, 2012 was KPMG LLP. The Company's Audit Committee has reappointed KPMG LLP to continue as the independent registered public accounting firm of the Banks and the Company for the year ending December 31, 2013, subject to ratification of such appointment by the Company's shareholders. Representatives of KPMG LLP will be present at the Annual Meeting and will have the opportunity to make a statement if they desire to do so, and will be available to respond to appropriate questions from shareholders present at the Annual Meeting. If the ratification and appointment of the independent registered public accounting firm is not approved by shareholders at the Annual Meeting, the Audit Committee will consider other independent registered accounting firms.

**Unless marked to the contrary, the shares represented by the enclosed proxy card, if properly signed and dated, will be voted FOR ratification of the appointment of KPMG LLP as the independent registered public accounting firm of the Company.**

The Audit Committee will consider on a case-by-case basis and, if appropriate, approve all audit and non-audit services to be provided by the Company's independent registered public accounting firm. Alternatively, the Audit Committee may adopt a policy for pre-approval of audit and permitted non-audit services by the independent registered public accounting firm. In 2012, all audit-related services, tax services, and other services were approved by the Audit Committee, which concluded that the provision of such services by KPMG LLP was compatible with the maintenance of that firm's independence in the conduct of its audit functions.

**THE BOARD OF DIRECTORS RECOMMENDS THAT YOU VOTE FOR THE  
RATIFICATION OF THE APPOINTMENT OF KPMG LLP AS THE INDEPENDENT  
REGISTERED PUBLIC ACCOUNTING FIRM OF THE COMPANY.**

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**CORPORATE GOVERNANCE**

**General.** The Company periodically reviews its corporate governance policies and practices. This process includes comparing its current policies and practices to policies and practices suggested by various groups or authorities active in corporate governance and practices of other public companies. Based upon this review, the Company adopts any changes in corporate governance policies that the Board of Directors believes are best for the Company. As part of the Company's continuing efforts to strengthen its corporate governance practices, protect the interests of its shareholders, and reflect the adoption of the New York Stock Exchange corporate governance rules, the Board of Directors has taken several important actions.

**Corporate Governance Guidelines.** The Board has adopted a set of Corporate Governance Guidelines, which are available on the corporate governance pages of the Company's website, [www.myNYCB.com](http://www.myNYCB.com), and are available in print to any shareholder who requests a copy. These Guidelines address, among other matters, the qualifications and responsibilities of directors; functions of the Board and Board committees; director compensation, training, and performance evaluations; and management performance evaluations and succession.

**Director Independence.** The Board of Directors of the Company has determined that the following directors are independent within the meaning of the rules of the New York Stock Exchange: Dominick Ciampa, Maureen E. Clancy, Hanif M. Dahya, William C. Frederick, M.D., Max L. Kupferberg, Michael J. Levine, Ronald A. Rosenfeld, Lawrence J. Savarese, and John M. Tsimbinos. Additionally, the Board has determined that each of the members of the Audit, Nominating and Corporate Governance, and Compensation Committees is independent in accordance with the listing standards of the New York Stock Exchange and, in the case of the members of the Audit Committee, the rules of the SEC. In determining the independence of its members, the Board broadly considers all facts and circumstances it deems to be relevant and does not limit such review to a specific set of categorical independence standards. Such determinations are made not merely from the standpoint of the director, but also from that of persons or organizations with whom or which the director has an affiliation. Material relationships can include commercial, industrial, banking, consulting, legal, accounting, charitable, and familial relationships, among others.

In arriving at its conclusions with respect to the directors named above, the Board determined that the directors had no material relationships (as such term is defined under the listing standards of the New York Stock Exchange) with the Company either directly or as a partner, shareholder, or officer of an organization that has a relationship with the Company. Directors Ciampa, Levine and O'Donovan are principals in, or have ownership interests in, organizations that maintain lending relationships with the Community Bank, and Directors Levine and O'Donovan are each guarantors of loans between the Community Bank and a family member. These Directors have fully disclosed such relationships to the Board, and the Board has determined that the subject loans do not involve more than normal risk of collectability or present other unfavorable features, and were made on substantially the same terms, including interest rates and collateral requirements, as those prevailing at the same time for comparable transactions with unaffiliated persons. Accordingly, the lending relationships maintained by the Community Bank with Messrs. Ciampa, Levine, and O'Donovan would not be inconsistent with a determination that they are independent directors of the Company. Further, Directors Ciampa, Levine, and O'Donovan possess significant knowledge of, and each is a principal in companies that actively participate in, the New York metropolitan area real estate market, where the Banks currently conduct significant portions of their lending businesses. The Board has determined that it is in the best interests of the Banks and the Company not to exclude such potential borrowers from conducting business with the Banks in accordance with the arms-length terms described above, and under circumstances that are no more favorable than those available to the Banks' other borrowers.

**Board Leadership Structure and Board's Role in Risk Oversight.** Currently, the Chairman of the Board is an independent director. The offices of Chairman of the Board and Chief Executive Officer (CEO) are separated, with Joseph R. Ficalora holding the position of CEO and Dominick Ciampa serving as Chairman of the Board. The Company does not have a formal policy with respect to the separation or combination of the offices of Chairman of the Board and CEO. Rather, the Board has the discretion to combine or separate these

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roles as it deems appropriate from time to time, which provides the Board with the necessary flexibility to adjust to changed circumstances. In light of the many challenges arising from the difficult economic and regulatory environment, the Board determined that separating the roles of Chairman and CEO would allow the CEO to devote the requisite significant time and focus on managing our business and maintaining our financial strength. However, as it has done in previous years, the Board may determine that combining these roles would better serve the Company by enabling one individual to act as a bridge between management and the Board, thereby facilitating their common purpose, and clarifying lines of authority and responsibility. Historically, the Company has designated a separate lead independent director at times when the offices of Chairman and CEO were combined. Additionally, in order to enhance board independence and effectiveness in certain circumstances in which such positions are not combined and the non-executive Chairman of the Board is not available (e.g., presiding at meetings of the Nominating and Corporate Governance Committee of the Board), the Company has established the position of presiding director of the Board (the Presiding Director), a role filled by an independent director selected by the Board.

Risk is inherent in every business, and how well a business manages risk can ultimately determine its success. We face a number of risks, including credit risk, interest rate risk, liquidity risk, operational risk, strategic risk, and reputational risk. Management is responsible for the day-to-day management of the risks the Company faces, while the Board, as a whole and through its committees, has responsibility for the oversight of risk management. In its risk oversight role, the Board of Directors has the responsibility to satisfy itself that the risk management processes designed and implemented by management are adequate and functioning as designed. To do this, the Chairman of the Board meets regularly with management to discuss strategy and the risks facing the Company. Senior management attends Board meetings and is available to address any questions or concerns raised by the Board on risk management and any other matters. The Chairman of the Board and independent members of the Board work together to provide strong, independent oversight of the Company's management and affairs through its standing committees and, when necessary, special meetings of the independent directors.

**Procedures to be followed by Shareholders in Recommending Director Candidates.** It is the policy of the Nominating and Corporate Governance Committee to consider director candidates recommended by shareholders who appear to be qualified to serve on the Board. The Nominating and Corporate Governance Committee may choose not to consider an unsolicited recommendation if no vacancy exists on the Board of Directors and the Nominating and Corporate Governance Committee does not perceive a need to increase the size of the Board of Directors. To avoid the unnecessary use of the Nominating and Corporate Governance Committee's resources, the Nominating and Corporate Governance Committee will consider only those director candidates recommended in accordance with the procedures set forth below. To submit a recommendation of a director candidate to the Nominating and Corporate Governance Committee, a shareholder should submit the following information in writing, addressed to the Chairman of the Nominating and Corporate Governance Committee, care of the Corporate Secretary, at the main office of the Company:

- a. the name of the person recommended as a director candidate;
- b. all information relating to such person that is required to be disclosed in solicitations of proxies for election of directors pursuant to Regulation 14A under the Securities Exchange Act of 1934, as amended;
- c. the written consent of the person being recommended as a director candidate to being named in the proxy statement as a nominee and to serving as a director if elected;
- d. the name and address of the shareholder making the recommendation, as they appear on the Company's books; provided, however, that if the shareholder is not a registered holder of the Company's Common Stock, the shareholder should submit his or her name and address along with a current written statement from the record holder of the shares that reflects ownership of the Company's Common Stock;
- e. a statement disclosing whether such shareholder is acting with, or on behalf of, any other person and, if applicable, the identity of such person; and

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f. such other information as the Company may require in accordance with its established nomination procedures then in effect. In order for a director candidate to be considered for nomination at the Company's Annual Meeting of Shareholders, the recommendation must be received at the principal executive office of the Company not less than 90 days prior to the date of the meeting; provided, however, that in the event that less than 100 days' notice or prior disclosure of the date of the Annual Meeting is given or made to shareholders, notice by the shareholder to be timely must be so received not later than the close of business on the 10th day following the day on which such notice of the date of the meeting was mailed or such public disclosure was made.

**Code of Business Conduct and Ethics.** The Company maintains a Code of Professional Conduct, applicable to all Company, Community Bank, and Commercial Bank employees, that sets forth requirements relating to ethical conduct, conflicts of interest, and compliance with the law. The Code of Professional Conduct requires that the Banks' employees avoid conflicts of interest, comply with all laws and other legal requirements, conduct business in an honest and ethical manner, and otherwise act with integrity and in the Company's and the Banks' best interests. The Chief Executive Officer, Chief Operating Officer, and Chief Financial Officer are bound by the Code of Professional Conduct. In addition, the Board of Directors has adopted a Code of Business Conduct and Ethics for the Chief Executive Officer, Chief Operating Officer, and Chief Financial Officer of the Company. A copy of that Code, which also applies to the Directors and all other employees of the Company, is available, free of charge, on the corporate governance pages of the Investor Relations portion of our website, [www.myNYCB.com](http://www.myNYCB.com), and is available in print to any shareholder who requests a copy.

**Communication with the Board of Directors.** Shareholders and other parties interested in communicating directly with the Presiding Director or with the non-management directors as a group may do so by writing to: Presiding Director, New York Community Bancorp, Inc., 615 Merrick Avenue, Westbury, New York 11590. Letters addressed to the Presiding Director will be opened by the Company's Corporate Secretary, who will review them and forward a summary of such correspondence to the Presiding Director and, if applicable, the Board. If the Corporate Secretary determines that an item of correspondence relates to the functions of the Board or its committees, or otherwise requires their attention, he will direct the item itself to the Presiding Director or other Board members. Directors may at any time review a log of all correspondence received by the Company that is addressed to the Presiding Director as provided above, and request copies of any correspondence.

## **ADDITIONAL INFORMATION**

### **Shareholder Proposals**

To be considered for inclusion in the Company's proxy statement and form of proxy relating to the Annual Meeting of Shareholders to be held in 2014, a shareholder proposal must be received by the Corporate Secretary of the Company, at the address set forth on the first page of this proxy statement, not later than December 27, 2013. If such Annual Meeting is held on a date more than thirty (30) days from June 6, 2014, a shareholder proposal must be received within a reasonable time before the Company begins to print and mail its proxy solicitation materials for such Annual Meeting. Any such proposal will be subject to the proxy rules adopted by the SEC.

### **Notice of Business to be Conducted at an Annual Meeting**

The Bylaws of the Company, a copy of which may be obtained from the Company, set forth the procedures by which a shareholder may properly bring business before a meeting of shareholders. Pursuant to the Bylaws, only business brought by, or at the direction of, the Board of Directors may be conducted at a special meeting. The Bylaws of the Company provide an advance notice procedure for a shareholder to properly bring business before an annual meeting. The shareholder must give written advance notice to the Corporate Secretary of the Company not less than ninety (90) days before the date originally fixed for such meeting; *provided, however*, that in the event that less than one hundred (100) days' notice or prior public disclosure of the date of the meeting is

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given or made to shareholders, notice by the shareholder, to be timely, must be received not later than the close of business on the tenth day following the date on which the Company's notice to shareholders of the annual meeting date was mailed or such public disclosure was made.

### **Attendance at the Annual Meeting**

If you are a holder of record and plan to attend the Annual Meeting, please indicate this when you vote. The top half of the proxy card is your admission ticket. When you arrive at the Annual Meeting, you will be asked to present this admission ticket and photo identification, such as a driver's license. If you hold your Common Stock in street name, you will need proof of ownership to be admitted to the Meeting. A recent brokerage statement or a letter from your bank or broker are examples of proof of ownership. **If you want to vote your Common Stock held in street name in person, you must get a written proxy in your name from the broker, bank, or other nominee that holds your shares.**

### **Other Matters Which May Properly Come Before the Annual Meeting**

The Board of Directors knows of no business that will be presented for consideration at the Annual Meeting other than as stated in the Notice of Annual Meeting of Shareholders. If, however, other matters are properly brought before the Meeting, it is the intention of the members of the Proxy Committee to vote the shares represented thereby on such matters in accordance with their best judgment.

Whether or not you intend to be present at the Annual Meeting, you are urged to sign, date, and return your proxy card, or to vote via the Internet or by telephone promptly. If you are then present and wish to vote your shares in person, your original proxy may be revoked by voting at the Annual Meeting.

### **Online Delivery of Proxy and Other Materials**

We have elected to take advantage of SEC rules that allow companies to furnish proxy materials to their shareholders on the Internet. We believe that these rules allow us to provide our shareholders with the information they need to vote at our Annual Meeting, while also lowering the costs of delivery and reducing the environmental impact of producing and distributing the related proxy materials.

Since April 26, 2013, the proxy materials for the 2013 Annual Meeting (which includes the 2012 Annual Report to Shareholders) have been available at the following web site: [www.proxyvote.com](http://www.proxyvote.com). Shareholders who wish to receive a printed copy of the proxy materials available on this web site may request copies in any of the following ways: (i) via the Internet, at [www.proxyvote.com](http://www.proxyvote.com); (ii) by telephone, at 1-800-579-1639; or (iii) by sending an e-mail to [sendmaterial@proxyvote.com](mailto:sendmaterial@proxyvote.com). Shareholders who are not eligible to vote at the Annual Meeting may find our 2012 Annual Report to Shareholders and the Notice of Annual Meeting and Proxy Statement on the Investor Relations portion of our Company website, [www.myNYCB.com](http://www.myNYCB.com).

We encourage all of our shareholders who have Internet access to receive future proxy materials online rather than through the U.S. mail delivery system. By electing to receive our materials electronically, you will be supporting our efforts to add to shareholder value. Other benefits of this service include:

Receiving shareholder communications, including the Company's annual report to shareholders and proxy statement, as soon as they are available, thus eliminating the need to wait for them to arrive by mail;

Enjoying easier access to convenient online voting; and

Eliminating bulky paper documents from your personal files.

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**Householding of Proxy Statements and Annual Reports**

The SEC has adopted rules that permit companies to mail a single proxy statement and a single annual report to two or more shareholders sharing the same address. This practice is known as householding. Householding provides greater convenience to shareholders and saves the Company money by reducing excess printing costs. You may have been identified as living at the same address as another Company shareholder. If this is the case, and unless the Company receives contrary instructions from you, we will continue to household your proxy statement and annual report for the reasons stated above.

If you are a shareholder or a beneficial owner at a shared address to which a single copy of both the proxy statement and the annual report has been delivered, and you would like to receive your own copy of this proxy statement and the annual report, you may obtain them electronically from the Investor Relations portion of our website, [www.myNYCB.com](http://www.myNYCB.com), by selecting SEC Documents ; by contacting the Investor Relations Department of the Company by phone (516-683-4420) or by e-mail ([ir@myNYCB.com](mailto:ir@myNYCB.com)); or by writing to the Investor Relations Department of the Company and indicating that you are a shareholder at a shared address and would like an additional copy of each document.

If you are a recordholder and would like to receive a separate proxy statement or annual report in the future, please contact Computershare Ltd. either by phone at (866) 293-6077, by e-mail at [shrrelations@computershare.com](mailto:shrrelations@computershare.com), or by mail at 480 Washington Boulevard, Jersey City, New Jersey 07310. If you are a beneficial owner and would like to receive a separate proxy statement or annual report in the future, please contact your broker, bank, or other nominee.

If, on the other hand, you are a multiple shareholder sharing an address, and are receiving multiple copies of this proxy statement or the annual report, please contact Computershare Ltd. at the number or addresses listed above so that all shareholders at the shared address can request that only a single copy of each document be mailed to your address in the future. If you are the beneficial owner, but not the recordholder, of Company shares, and you wish to receive only one copy of the proxy statement and annual report in the future, you will need to contact your broker, bank, or other nominee so that all shareholders at the shared address can request that only a single copy of each document be mailed to your address in the future.

**A copy of the Company's Annual Report on Form 10-K for the year ended December 31, 2012, as filed with the SEC, accompanies this proxy statement. An additional copy will be furnished without charge to shareholders upon written request to New York Community Bancorp, Inc., Investor Relations Department, 615 Merrick Avenue, Westbury, New York 11590.**

Westbury, New York  
April 26, 2013

By Order of the Board of Directors,

R. Patrick Quinn  
*Executive Vice President,  
Chief Corporate Governance Officer,*

*and Corporate Secretary*

**YOU ARE CORDIALLY INVITED TO ATTEND THE ANNUAL MEETING IN PERSON. WHETHER OR NOT YOU PLAN TO ATTEND THE MEETING, YOU ARE REQUESTED TO PROMPTLY COMPLETE, SIGN, DATE, AND RETURN THE ACCOMPANYING PROXY CARD IN THE ENCLOSED POSTAGE-PAID ENVELOPE OR TO VOTE VIA THE INTERNET OR BY TELEPHONE**

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