

FIRST OF LONG ISLAND CORP
Form DEF 14A
March 15, 2019
UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

SCHEDULE 14A

(Rule 14a-101)

INFORMATION REQUIRED IN PROXY STATEMENT

SCHEDULE 14A INFORMATION

Proxy Statement Pursuant to Section 14(a) of the Securities

Exchange Act of 1934 (Amendment No.)

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

Preliminary Proxy Statement
Confidential, For Use of the
Commission Only (as permitted
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Definitive Proxy Statement
Definitive Additional Materials
Soliciting Material Pursuant to
§240.14a-12

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The First of Long Island Corporation
(Name of Registrant as Specified in Its Charter)

(Name of Person(s) Filing Proxy Statement, if Other Than the Registrant)

Payment of Filing Fee (Check the appropriate box):

No fee required

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(1) Amount previously paid:

(2) Form, Schedule or Registration Statement No.:

(3) Filing Party:

(4) Date Filed:

THE FIRST OF LONG ISLAND CORPORATION

10 GLEN HEAD ROAD

GLEN HEAD, NEW YORK 11545

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS

TO BE HELD APRIL 16, 2019

March 15, 2019

To the Stockholders of

The First of Long Island Corporation:

Notice is hereby given that the Annual Meeting of Stockholders of THE FIRST OF LONG ISLAND CORPORATION will be held at NORTH HEMPSTEAD COUNTRY CLUB, 291 PORT WASHINGTON BLVD., PORT WASHINGTON, NEW YORK, on Tuesday, April 16, 2019, at 3:30 P.M. local time for the following purposes:

- (1) To elect six directors to hold office for a two-year term and until their successors are duly elected and qualified;
- (2) To conduct a non-binding, advisory vote to approve the compensation paid to the Corporation's named executive officers;
- (3) To ratify the appointment of Crowe LLP as the Corporation's independent registered public accounting firm for 2019; and
- (4) To transact any other business as may properly come before the meeting.

Only stockholders of record at the close of business on March 1, 2019 are entitled to notice of and to vote at such meeting or any adjournment thereof.

By Order of the Board of Directors
Christopher Becker

Executive Vice President
Chief Risk Officer and Corporate Secretary

IMPORTANT -- PLEASE VOTE YOUR PROXY PROMPTLY.

IN ORDER THAT THERE MAY BE PROPER REPRESENTATION AT THE MEETING, YOU ARE URGED TO SIGN, DATE AND RETURN THE ENCLOSED PROXY IN THE POSTAGE-PAID ENVELOPE PROVIDED, OR TO VOTE ELECTRONICALLY AS PROVIDED IN THE INSTRUCTIONS INCLUDED HERewith.

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THE FIRST OF LONG ISLAND CORPORATION

10 Glen Head Road

Glen Head, New York 11545

(516) 671-4900

PROXY STATEMENT

INFORMATION ABOUT THE ANNUAL MEETING OF STOCKHOLDERS

The accompanying proxy is being solicited by the Board of Directors ("Board") of The First of Long Island Corporation ("Corporation" or "Company") for use at the Annual Meeting of Stockholders to be held at 3:30 P.M. local time at North Hempstead Country Club, 291 Port Washington Blvd., Port Washington, New York on April 16, 2019. The approximate date on which proxy statements and forms of proxy are first being sent or given to stockholders is March 15, 2019.

Proxies in the accompanying form that are properly executed and duly returned to the Corporation, or voted electronically, will be voted at the meeting in accordance with the instructions provided. Where no instructions are indicated, properly executed proxies will be voted "For" the proposals set forth in this proxy statement. Each proxy granted may be revoked at any time prior to its exercise by written notice filed with the secretary of the Corporation, by the submission of a later dated and executed proxy or by notice given during the meeting by the stockholder to the presiding officer of the meeting. The presence in person or by proxy of the holders of a majority of the shares entitled to vote at the annual meeting constitutes a quorum for the transaction of business. The meeting (whether or not a quorum is present) may be adjourned to a subsequent date, provided notice of the time and place to which the meeting is adjourned are announced at the meeting at which the adjournment is taken. At an adjourned meeting, any business may be transacted which might have been transacted at the meeting as originally scheduled. In the event there are not sufficient votes for a quorum, or to approve or ratify any matter being presented at the time of this Annual Meeting, the Annual Meeting may be adjourned in order to permit the further solicitation of proxies.

VOTING SECURITIES AND PRINCIPAL STOCKHOLDERS

The only class of voting securities of the Corporation is its Common Stock, \$.10 par value ("Common Stock"), each share of which entitles the holder thereof to one vote except in the election of directors, where votes may be cumulated as described herein. Only stockholders of record at the close of business on March 1, 2019 are entitled to notice of and to vote at the meeting.

As of March 1, 2019, there were 25,153,936 shares of the Common Stock issued, all of which were outstanding and entitled to vote. To the best knowledge of the Corporation, the only persons owning beneficially more than five percent (5%) of the Common Stock of the Corporation as of March 1, 2019 are identified in the table below.

Name and Address of Beneficial Owner	Amount and Nature of Beneficial Ownership	Percent of Class
BlackRock, Inc.	1,861,519 shares (1)	7.40%

55 East 52nd Street

New York, NY 10055

Franklin Mutual Advisors, LLC 2,149,469 shares (2) 8.55%

101 John F. Kennedy Parkway

Short Hills, NJ 07078-2789

(1) Based on a Schedule 13G/A filed on February 4, 2019.

(2) Based on a Schedule 13G/A filed on January 30, 2019.

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Following is information with respect to the beneficial ownership of the Corporation's Common Stock as of March 1, 2019 by all directors and nominees, by the executive officers of the Corporation named in the "Summary Compensation Table" ("named executive officers" or "NEOs"), and by directors and all executive officers of the Corporation as a group.

Title of Class	Beneficial Owner	Amount and Nature of Beneficial Ownership(1)	Percent of Class
Common Stock (\$.10 par value)	Paul T. Canarick	309,529	(2) 1.23%
	Alexander L. Cover	41,653	(3) .17%
	John J. Desmond	5,105	.02%
	Howard Thomas Hogan, Jr.	203,109	(4) .81%
	Louisa M. Ives	75	-
	Stephen V. Murphy	50,281	(5) .20%
	Peter Quick	40,223	.16%
	Denise Strain	1,999	.01%
	Milbrey Rennie Taylor	32,540	(6) .13%
	Walter C. Teagle III	149,658	(7) .59%
	Eric J. Tveter	9,704	.04%
	Michael N. Vittorio	115,679	.46%
	Mark D. Curtis	82,244	(8) .33%
	Christopher Becker	17,005	.07%
	Christopher Hilton	6,654	.03%
	Paul Daley	12,426	.05%
	Directors and Executive Officers as a group (19 persons)	1,244,157	(9) 4.93%

- (1) Includes shares as to which a person (or his/her spouse) directly or indirectly has or shares voting power and/or investment power (which includes the power to dispose) and all shares which the person has a right to acquire within 60 days of the reporting date.
- (2) Includes 6,272 shares that can be acquired by the exercise of stock options.
- (3) Includes 6,272 shares that can be acquired by the exercise of stock options.
- (4) Includes 6,272 shares that can be acquired by the exercise of stock options.
- (5) Includes 6,272 shares that can be acquired by the exercise of stock options.
- (6) Includes 6,272 shares that can be acquired by the exercise of stock options.
- (7) Includes 12,540 shares that can be acquired by the exercise of stock options.
- (8) Includes 11,629 shares that can be acquired by the exercise of stock options.
- (9) Includes 77,581 shares that can be acquired by the exercise of stock options.

VOTING PROCEDURES AND METHODS OF COUNTING VOTES

As to Proposal 1 regarding the election of directors, the proxy card being provided by the Board enables a stockholder to vote "For" the election of the six nominees proposed by the Board or to "Withhold Authority" to vote for the nominees being proposed. As discussed under Proposal 1, cumulative voting applies to the election of directors. Directors are elected by a plurality of the votes cast, without regard to either broker non-votes or proxies as to which the authority to vote for the nominee is withheld.

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As to Proposals 2 and 3, a stockholder may: (1) vote “For” the item, (2) vote “Against” the item, or (3) “Abstain” from voting on the item. In order to approve Proposals 2 and 3, each proposal must receive the affirmative vote of a majority of the shares voting on each matter at the annual meeting without regard to either shares as to which the “Abstain” box is marked or broker non-votes.

Proxies solicited hereby will be returned to the Corporation, tabulated by the Corporation’s registrar and transfer agent and reviewed by the inspectors of election designated by the Board.

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PROPOSAL 1

ELECTION OF DIRECTORS FOR TWO YEAR TERMS

The Board of the Corporation currently consists of twelve members. The Board has nominated John J. Desmond, Howard Thomas Hogan, Jr., Milbrey Rennie Taylor, Walter C. Teagle III and Michael N. Vittorio as the Class I directors for re-election and Louisa M. Ives for election as a Class I director. Each Board member and nominee, with the exception of Michael N. Vittorio who serves as President and Chief Executive Officer (“CEO”) of the Corporation and its wholly owned bank subsidiary, The First National Bank of Long Island (“Bank”), is independent as defined in the Nasdaq Rules.

The Board is divided into two classes, Class I and Class II. The following table sets forth the present composition of the Board.

Name	Class	of Term	Expiration
John J. Desmond	I		2019
Howard Thomas Hogan, Jr.	I		2019
Louisa M. Ives	I		2019
Milbrey Rennie Taylor	I		2019
Walter C. Teagle III	I		2019
Michael N. Vittorio	I		2019
Paul T. Canarick	II		2020
Alexander L. Cover	II		2020
Stephen V. Murphy	II		2020
Peter Quick	II		2020
Denise Strain	II		2020
Eric J. Tveter	II		2020

As to the election of directors, each stockholder entitled to vote has the right to vote, in person or by proxy, the number of shares owned by him or her for as many persons as there are directors to be elected. A stockholder may also cumulate his or her votes by giving one candidate as many votes as the number of directors to be elected multiplied by the number of his or her shares or by evenly distributing such votes on the same principle among any number of candidates. Cumulative voting can affect the election of directors if there are more nominees for director than positions to be filled. In the event that cumulative voting is in effect, it is the intention of the proxies to vote cumulatively for the nominees listed, and if authority for any nominee or nominees is withheld, the votes will be distributed among the remaining candidates at the discretion of the Board.

It is intended that shares represented by properly executed proxies will be voted at the meeting in accordance with the instructions indicated thereon and, in the absence of contrary indication, for the re-election of directors Desmond, Hogan, Taylor, Teagle and Vittorio and for the election of director Ives. Each of the Class I directors will hold office until his or her successor is elected and qualified, except that it is expected that Mr. Vittorio, in accordance with the terms of his employment agreement, will discontinue his service as a director at the annual meeting of stockholders following the year ending December 31, 2019. If at the time of the 2019 Annual Meeting any of the nominees named above is unavailable or chooses not to serve as a director (an event that the Board does not now anticipate), the proxies will be voted for the election as director of such other person or persons as the Board may designate.

The Board of Directors recommends a vote FOR all named nominees.

The following table sets forth a brief description of the business experience during the past five years of each of the nominees and Board members continuing in office. It also indicates any other directorships held during the past five years in any company with a class of securities registered pursuant to section 12 of the Securities Exchange Act of 1934 ("1934 Act") or subject to the requirements of section 15(d) of the 1934 Act or any company registered as an investment company under the Investment Company Act of 1940. The year set forth for each director is the year in which the person named became a director of the Corporation and the Bank with the exception of Mr. Hogan, who became a director of the Corporation upon its formation in 1984.

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BUSINESS EXPERIENCE OF DIRECTORS

Name	Principal Occupations and Other Directorships for Last 5 Years	Director Since
Paul T. Canarick	President and Principal, Paul Todd, Inc. (Construction Company)	1992
(Age 62)		
Alexander L. Cover	Business and Management Consultant (Private Practice); Retired Partner of Ernst & Young LLP	2003
(Age 75)		
John J. Desmond	Retired Partner of Grant Thornton LLP; Director and Chairman of the Audit Committee of MusclePharm Corporation	2016
(Age 68)		
Howard Thomas Hogan, Jr.	Hogan & Hogan (Attorney, Private Practice)	1978
(Age 74)		
Louisa M. Ives	Managing Director and member of the Executive and Investment Committees of Chilton Trust Company	2019
(Age 52)		
Stephen V. Murphy	President, S.V. Murphy & Co. (Financial Advisory Services); Director: Man FRM Alternative Multi-Strategy Fund LLC; UST Global Private Markets Fund, LLC; Excelsior Venture Partners III, LLC; Excelsior Private Markets Fund II, LLC; Excelsior Private Markets Fund III, LLC; NB Crossroads Private Markets Fund IV, LLC; NB Crossroads Private Market Fund V Holdings, LP; NB Crossroads Private Market Fund VI; Holborn Corporation	2005
(Age 73)		
Peter Quick	Retired President of the American Stock Exchange; Retired Partner of Burke and Quick Partners Holdings LLP, the parent company of Burke & Quick Partners LLC, a broker dealer;	2015
(Age 63)		
Denise Strain	Director: Medicare Inc.; Gain Capital Retired Managing Director of Citigroup Inc.	2017
(Age 65)		
Milbrey Rennie Taylor	Retired Executive Producer of CBS News	2008
(Age 72)		
Walter C. Teagle III	Chairman of the Board, The First of Long Island Corporation and The First National Bank of Long Island; President and Owner, Teagle Management, Inc. (Private Investment Firm); Managing General Partner, Gulo Capital Partners L.P. (Private Investment Partnership);	1996
(Age 69)		
Eric J. Tveter	Chairman and Director, The Teagle Foundation, Inc. (Private Foundation) Chairman of Upc Switzerland and Chief Executive Officer of Upc Central and Eastern Europe, Liberty Global plc; Chief Executive Officer, Central Europe Group, Liberty Global plc;	2013

(Age 60) Formerly: Chief Executive Officer, upc cablecom GmbH of Switzerland; Formerly: Chief Executive Officer, Austria/Switzerland Region Liberty Global plc
Michael N. President and Chief Executive Officer, The First of Long Island Corporation and The First 2003
Vittorio National Bank of Long Island

(Age 66)

QUALIFICATIONS OF DIRECTORS

Diversity. The Governance and Nominating Committee believes that the Board as a whole should adequately reflect the diversity of the Company's constituencies and the communities in which the Company conducts business. Although the Committee considers diversity in identifying nominees for director, it does not have a formal policy in this regard. The Committee has a broad view of diversity, and conceptualizes it to include differences of viewpoint, professional experience, education, skill and other individual qualities and attributes that contribute to board heterogeneity, as well as race, ethnicity, gender, and other characteristics.

Specific Core Competencies. In addition to general qualifications and the consideration of diversity, the Governance and Nominating Committee has developed a Skill Sets Matrix that sets forth the specific core competencies it believes one or more Board members should possess. The matrix is used to evaluate the collective skills of the existing Board and identify the skills that the Committee should seek when filling a Board vacancy or increasing the size of the Board. The Governance and Nominating Committee recognizes that some Board members may possess many of the core competencies, while others will possess only a few, but that each Board member should have particular strength with respect to at least one. The identified core competencies, which are

subject to change from time to time, include, but are not limited to: corporate governance, banking, strategic planning, business leadership, organizational management and/or business operations, accounting and reporting, finance and/or investments, technology and/or information security, mergers and acquisitions, legal and/or regulatory, real estate, marketing and/or public relations and financial accounting experience necessary to qualify as an “audit committee financial expert” as defined in Regulation S-K of the Securities and Exchange Commission (“SEC”).

With respect to each of the Corporation’s directors, the narrative that follows sets forth the specific experience, qualifications, attributes and skills that led to the conclusion that the person should serve as a director considering the Company’s business and structure and the general qualifications and core competencies identified and deemed desirable by the Governance and Nominating Committee.

Paul T. Canarick - Mr. Canarick joined the Board in 1992 and is a member of the Governance and Nominating, Loan and Asset Liability Committees. Mr. Canarick is President and Principal of Paul Todd, Inc., a privately held construction company. Mr. Canarick’s experience has provided him with a number of the core competencies identified by the Governance and Nominating Committee, which include banking, business leadership, organizational management and business operations and real estate.

Alexander L. Cover - Mr. Cover joined the Board in 2003 and is Chairman of the Audit Committee and a member of the Governance and Nominating and Asset Liability Committees. He is currently a business and management consultant in private practice and, among other things, assists privately held companies with developing business plans. Previously, he was Partner-In-Charge of the financial institutions practice of the Long Island office of Ernst & Young LLP. At Ernst & Young, Mr. Cover’s experience also included, among other things, serving as review partner on both SEC and non-SEC engagements. Mr. Cover has also been a director of a number of not-for-profit entities. Mr. Cover’s experience has provided him with a number of the core competencies identified by the Governance and Nominating Committee, which include corporate governance, banking, strategic planning, business leadership, organizational management and business operations, accounting and reporting, finance, mergers and acquisitions, legal and regulatory.

John J. Desmond - Mr. Desmond joined the Board in 2016 and is a member of the Audit and Compensation Committees. Previously, he was Partner-In-Charge of the Long Island office of Grant Thornton LLP from 1988 through his retirement from the firm in 2015, having served over 40 years in the public accounting industry. At Grant Thornton, Mr. Desmond’s experience also included, among other things, serving as lead audit partner for many public and privately-held companies. Mr. Desmond was elected by the U.S. Partners of Grant Thornton LLP to be a Partnership Board Member from 2001 through 2013. The Board was responsible for oversight of many of the firm’s activities including strategic planning, the performance of the senior leadership team and financial performance. Mr. Desmond also serves as a director of a publicly held company, and serves or has served as a board member of a number of not-for-profit entities. Mr. Desmond’s experience has provided him with a number of the core competencies identified by the Governance and Nominating Committee, which include corporate governance, banking, strategic planning, business leadership, organizational management and business operations, accounting and reporting, finance, mergers and acquisitions, legal and regulatory.

Howard Thomas Hogan, Jr., Esq. - Mr. Hogan joined the Board in 1978 and is a member of the Loan and Governance and Nominating Committees. Mr. Hogan is currently an attorney in private practice, with an emphasis on real estate. He currently serves and has served as a director of numerous not-for-profit and community organizations. His experience has provided him with a number of the core competencies identified by the Governance and Nominating Committee, which include corporate governance, banking, legal, real estate and public relations.

Louisa M. Ives - Ms. Ives joined the Board in January 2019. Ms. Ives has substantial experience in the financial services industry currently serving as Head of Manager Research at Chilton Trust Company where she is responsible for external manager selection and due diligence for Chilton clients. Prior to her current role, Ms. Ives was a Managing Director and research analyst at Chilton Investment Company and served on the company’s Board of

Directors. She currently serves on the boards of various not-for-profit and community organizations. Ms. Ives experience has provided her with a number of the core competencies identified by the Governance and Nominating Committee, which include corporate governance, strategic planning, business leadership, organizational management and business operations, finance and investments and mergers and acquisitions.

Stephen V. Murphy - Mr. Murphy joined the Board in 2005 and is Chairman of the Asset Liability Committee and a member of the Compensation and Loan Committees. He is currently President of S.V. Murphy & Co., a financial advisory firm. He also serves as a director of several registered investment companies. Mr. Murphy's experience includes Merrill Lynch Capital Markets, where he was Managing Director in the Investment Banking Department in charge of the Financial Institutions Mergers and Acquisitions Group. Prior to that, Mr. Murphy was with The First Boston Corporation as Managing Director in the Corporate Finance Department in charge of the Commercial Banking Group for Financing and Strategic Services. Mr. Murphy also serves or has served as a director for various publicly held and not-for-profit entities. Mr. Murphy's experience has provided him with a number of the core competencies identified by the Governance and Nominating Committee, which include corporate governance, banking, strategic planning, accounting and reporting, finance and investments and mergers and acquisitions.

Peter Quick - Mr. Quick joined the Board in 2015 and is Chairman of the Loan Committee and a member of the Audit and Governance and Nominating Committees. Mr. Quick has over 30 years of experience in the securities and financial services industries. He is a recognized leader in the securities industry with experience in the domestic and international equity markets, equities market making, market structure reform, trading technology and clearing operations. Mr. Quick is a retired Partner of Burke and Quick Partners Holdings LLP, the parent company of Burke & Quick Partners LLC, a broker dealer. Mr. Quick was President of the American Stock

Exchange from 2000 to 2005. Prior to joining the American Stock Exchange, he served as President of Quick & Reilly Inc., a Quick & Reilly subsidiary and a national discount brokerage firm. Mr. Quick also serves or has served as a director of a number of publicly held companies and not-for-profit entities. Mr. Quick's experience has provided him with a number of the core competencies identified by the Governance and Nominating Committee, which include corporate governance, banking, strategic planning, business leadership, organizational management and business operations, accounting and reporting, finance and investments, technology and information security, mergers and acquisitions, legal and regulatory and real estate.

Denise Strain - Ms. Strain joined the Board in 2017 and is a member of the Governance and Nominating and Loan Committees. Ms. Strain has 35 years of experience in the banking industry including most recently as the Managing Director and Senior Tax Counsel of Citigroup Inc. Ms. Strain has served as a member of the Board of Trustees of a not-for-profit educational institution. Ms. Strain's experience has provided her with a number of the core competencies identified by the Governance and Nominating Committee, which include corporate governance, banking, strategic planning, business leadership, organizational management and business operations, accounting and reporting, finance, mergers and acquisitions, legal and regulatory.

Milbrey Rennie Taylor - Ms. Taylor joined the Board in 2008 and is Chair of the Governance and Nominating Committee and a member of the Compensation Committee. Ms. Taylor's experience includes over thirty years in the television news business. She served as Executive Producer of CBS News Sunday Morning and CBS Weekend News. Ms. Taylor also served as Vice President of ThirdAge Media, an Internet company partly owned by CBS, Inc. Ms. Taylor serves and has served as a director of a number of not-for-profit entities. Ms. Taylor's experience has provided her with a number of the core competencies identified by the Governance and Nominating Committee, which include corporate governance, strategic planning, business leadership, organizational management and business operations, marketing and public relations.

Walter C. Teagle III - Mr. Teagle joined the Board in 1996, became Chairman of the Board in 2005 and is an ex officio member for all purposes of all Board committees of the Corporation and the Bank. Mr. Teagle is currently President and owner of Teagle Management, Inc., a private investment firm, Chairman and Director of The Teagle Foundation, Inc. and Managing General Partner of Gulo Capital Partners L.P., a private investment partnership. Mr. Teagle's past experience includes a variety of executive and board positions including Managing Director, Groton Partners LLC, a merchant banking firm; Officer and Managing Director, Groton Asset Management LLC, an investment management company; Executive Vice President and Director, Lexent, Inc., a publicly-held infrastructure service provider; and President, Chief Executive Officer, and Director, Metro Design Systems, Inc., an engineering design services firm. Mr. Teagle has also been a director of not-for-profit entities. Mr. Teagle's experience has provided him with a number of the core competencies identified by the Governance and Nominating Committee, which include corporate governance, banking, strategic planning, business leadership, organizational management and business operations, finance and investments, technology and information security, and mergers and acquisitions.

Eric J. Tvester - Mr. Tvester joined the Board in 2013 and is Chairman of the Compensation Committee. He is currently Chairman of Upc Switzerland and Chief Executive Officer of Upc Central and Eastern Europe, Liberty Global plc. Prior to that he was Chief Executive Officer, Central Europe Group, Liberty Global plc; Chief Executive Officer, Austria/Switzerland Region, Liberty Global plc; and Chief Executive Officer, upc cablecom GmbH of Switzerland. Mr. Tvester has extensive knowledge and experience in the US, UK and European cable industries. He was President of UK cable operator Telewest Global Inc. and held a range of senior management positions at Time Warner Cable, Comcast Corporation and Cablevision Systems Corporation. Mr. Tvester also served as Chairman of Sightspeed Inc., a video conferencing and communications provider. Mr. Tvester's experience has provided him with a number of the core competencies identified by the Governance and Nominating Committee, which include corporate governance, banking, strategic planning, business leadership, organizational management and business operations, accounting and reporting, finance, technology and information security, mergers and acquisitions, legal and regulatory, real estate, marketing and public relations.

Michael N. Vittorio - Mr. Vittorio has been CEO of the Corporation and the Bank since 2003 and is a member of the Loan and Asset Liability Committees of the Bank. Prior to his employment by the Company in 2002, Mr. Vittorio was employed at J.P. Morgan Chase as Senior Vice President responsible for managing Chase Insurance Agency's Insurance Brokerage and Advisory Service Business. Previously he served in various capacities at J.P. Morgan Chase including Senior Credit Officer for Small Business Financial Services, Middle Market Regional Manager and Division Executive in the Small Business/Commercial Division. Mr. Vittorio also serves or has served as a director of a variety of not-for-profit entities. Mr. Vittorio's experience has provided him with a number of the core competencies identified by the Governance and Nominating Committee, which include corporate governance, banking, strategic planning, business leadership, organizational management and business operations, mergers and acquisitions, real estate, marketing and public relations.

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BOARD LEADERSHIP STRUCTURE

The Board has determined that the Chairman of the Board will be an independent director. The Board believes that stockholder interests are best served by having a Chairman of the Board who is independent of management and whose exclusive responsibility is the long-term best interest of the Corporation's stockholders.

Walter C. Teagle III has served as Chairman of the Board since May 2005. As Chairman, Mr. Teagle organizes the work of the Board and ensures that the Board has access to sufficient information to enable it to carry out its functions, including monitoring the Corporation's performance and the performance of the Board and management. The role of the Chairman of the Board includes: (1) presiding over all meetings of the Board and stockholders, including regular executive sessions of the Board in which the CEO, a management director, and other members of management do not participate; (2) establishing the annual agenda of the Board and agendas of each meeting in consultation with the CEO; (3) serving as an ex officio member of each board committee and advising with respect to the work of each Board committee; (4) coordinating periodic Board reviews of management's strategic plan for the Corporation; and (5) coordinating the Compensation Committee annual performance review of the CEO.

BOARD'S ROLE IN RISK OVERSIGHT

Risk is an integral part of Board and Board committee discussions. The significant risks facing the Corporation are set forth in an Enterprise Risk Management document. The Corporation's management team, which includes a Chief Risk Officer, is responsible for identifying, assessing and managing risk and the Board is responsible for risk oversight and fulfills this responsibility primarily through its committees. In granting authority to management, approving policies and strategies and receiving management reports, the Board and its committees consider, among other things, the risks that the Corporation faces. For each critical risk, such as credit risk, interest rate risk, liquidity risk, and cybersecurity risk, the Corporation has a formal written policy that is approved by an appropriate Board committee or the full Board.

As reflected in the Corporation's Corporate Governance Guidelines, the Board and its committees address succession planning risk both in the ordinary course of business and on a contingent basis in case of unexpected events. The Corporation has comprehensive written succession planning documents that cover the Board and its committees, the CEO and the other members of executive management and from time to time retains consultants with expertise in succession planning matters. The Corporation's succession planning documents are updated no less often than annually and are actively used by the Board and its committees to oversee and ensure a smooth transition should Board members or key members of executive management retire or otherwise leave the employ of the Corporation.

The following table sets forth the risk oversight responsibilities of the Board and Board committees.

Board or Board Committee	Risk Oversight Responsibilities
Board of Directors	Strategic, Earnings and Management Succession
Loan Committee	Credit and Allowance for Loan Losses
Asset Liability Committee	Interest Rate, Liquidity, Price, Market and Economic Conditions
Audit Committee	Operational, Regulatory and Legislative, Technology and Cybersecurity, and Income Tax
Governance and Nominating Committee	Reputation, Legal and Board Succession
Compensation Committee	Key Personnel, Compensation and Retention

CEO Succession. It is expected that Michael N. Vittorio will retire as President and CEO of the Corporation and the Bank on December 31, 2019. In addition, and in accordance with the terms of his employment agreement, Mr. Vittorio is expected to continue his service as a director until the annual meeting of stockholders following the year ending December 31, 2019. A process for this planned succession to a new CEO has been underway for a period of time and is being led by a designated committee of the Board. The services of a nationally recognized leadership consulting firm have been engaged. The Board intends to make a decision and a public announcement as to Mr. Vittorio's successor in a timeframe that will allow for an orderly transition.

MEETINGS OF THE BOARD OF DIRECTORS

All of the members of the Board of the Corporation also serve on the Board of the Bank. The Board of the Corporation held ten regular and three special meetings during 2018. Each director attended at least 75% of the aggregate number of Board meetings and meetings of the committees on which such director served. The Board meets regularly in executive session throughout the year.

BOARD COMMITTEES AND MEETINGS

The Board of the Corporation has three standing committees: the Governance and Nominating Committee; the Audit Committee; and the Compensation Committee. The Board of the Bank also has two standing committees: the Loan Committee and the Asset Liability Committee.

Governance and Nominating Committee

All the members of the Corporation's Governance and Nominating Committee are independent directors as defined in the Nasdaq Rules. The members of the Governance and Nominating Committee are Paul T. Canarick, Alexander L. Cover, Howard Thomas Hogan, Jr., Peter Quick, Denise Strain, Milbrey Rennie Taylor and Walter C. Teagle III. The Committee met six times during 2018.

The Corporation's Board has adopted a formal written charter for the Governance and Nominating Committee. A current copy of the charter and the Corporation's Corporate Governance Guidelines are available on the Corporation's website by going to www.FNBLLI.com, placing the cursor over "Investor Relations," then clicking on "Corporate Governance" and then clicking on "Board Governance and Nominating Committee Charter" or "Corporate Governance Guidelines."

Among other things, the Governance and Nominating Committee is currently responsible for: (1) maintaining the director succession plan; (2) identifying individuals qualified to become Board members and recommending to the Board the director nominees for the next annual meeting of stockholders; (3) recommending to the Board written corporate governance guidelines and monitoring compliance with said guidelines; (4) leading the Board in an annual Board self-assessment and reporting to the Board on its own self-assessment and the self-assessments performed by the other Board committees; (5) recommending to the Board, director candidates for each committee; and (6) establishing the director skill sets matrix to evaluate the collective skills of the existing board and to identify skills that may be sought when filling vacancies.

Although the Corporation has a long history of being able to attract and maintain a cohesive Board with the variety of skills necessary to oversee the affairs of the Corporation, the Governance and Nominating Committee will consider director candidates recommended by stockholders. Submission of candidates may be made in writing at any time. However, to be considered by the Governance and Nominating Committee for nomination at the 2020 annual meeting, such submissions should be made no later than December 16, 2019 to the Chair of the Governance and Nominating Committee at the Corporation's address set forth in this proxy statement. In addition, nominations for the election of directors may be made by any stockholder entitled to vote for the election of directors provided that such nominations are made in accordance with the provisions of the Corporation's bylaws establishing the information and notice requirements for such nominations.

In addition to interviews, the Governance and Nominating Committee may evaluate potential nominees by reviewing resumes, checking business and/or personal references, and performing background checks as deemed appropriate. The Corporation has not paid a fee to any third party or parties to assist in identifying or evaluating potential nominees.

Except for Ms. Ives who was appointed by the Board effective January 1, 2019, all of the Class I nominees approved by the Governance and Nominating Committee for inclusion on the Corporation's proxy card for the Annual Meeting of Stockholders to be held April 16, 2019 are directors standing for re-election. Ms. Ives introduction to the Board was based on a referral from a business associate of a current non-management Board member.

Audit Committee

The members of the Audit Committee are Alexander L. Cover, John J. Desmond, Peter Quick and Walter C. Teagle III. The Committee met eight times during 2018.

The Corporation's Board has adopted a formal written charter for the Audit Committee. A current copy of the charter is available on the Corporation's website by going to www.FNBLLI.com, placing the cursor over "Investor Relations," then clicking on "Corporate Governance" and then clicking on "Board Audit Committee Charter."

The Board has determined that all members of the Audit Committee are independent as independence for audit committee members is defined in SEC Rule 10A-3 and the Nasdaq Rules. The Board has also determined that Alexander L. Cover and John J. Desmond each qualify as an "audit committee financial expert" as that term is defined in Item 407 of Regulation S-K of the Securities and Exchange Commission. The Board has also determined that all members of the Audit Committee have banking or related financial management expertise.

The responsibilities of the Audit Committee are described under the heading "Audit Committee Report" in this proxy statement.

Compensation Committee

All the members of the Corporation's Compensation Committee are independent directors as defined in the Nasdaq Rules. The members of the Compensation Committee are John J. Desmond, Stephen V. Murphy, Milbrey Rennie Taylor, Walter C. Teagle III and Eric J. Tveter. The Committee met five times during 2018.

The Corporation's Board has adopted a formal written charter for the Compensation Committee. A current copy of the charter is available on the Corporation's website by going to www.FNBLI.com, placing the cursor over "Investor Relations," then clicking on "Corporate Governance" and then clicking on "Board Compensation Committee Charter."

The purpose of the Compensation Committee is to assist the Board in fulfilling its oversight responsibilities by reviewing and evaluating the Corporation's compensation practices to ensure that appropriate policies, procedures and systems are in place to identify, measure, and control related risks, including strategic, reputation and operational risk. The Committee should identify those employees, including but not limited to the CEO and other executive officers, who could potentially expose the Corporation to material amounts of such risk and arrive at compensation for these employees and non-management directors that is appropriate and competitive and does not expose the Corporation to unacceptable risk.

Among other things, the Compensation Committee is responsible for: (1) implementing and maintaining guiding principles, compensation policies and compensation plans for the CEO, other executive officers and non-management directors, all as set forth in the Corporation's Proxy Statement for its annual meeting of shareholders, and reporting and making recommendations to the Board with respect thereto taking into account market competitive data; (2) recommending to the Board approval of employment agreements for the CEO and other executive officers; (3) evaluating the performance of the CEO against established goals and objectives and approving for Board ratification the base salary level for the CEO subject to any existing employment agreement; (4) reviewing the CEO's performance evaluation of the other executive officers of the Corporation and approving for Board ratification the base salary level of each such officer subject to any existing employment agreements; (5) approving for Board ratification cash incentives and bonuses to be paid to the CEO and other executive officers pursuant to the Corporation's incentive compensation plans or otherwise; (6) setting corporate goals, objectives and compensation plans used to determine cash incentives and bonuses paid to the CEO and other executive officers and equity compensation awarded to the CEO, other executive officers and non-management directors – the Compensation Committee will periodically engage a compensation consulting firm to assist them in this endeavor; (7) approving for Board ratification awards of equity compensation to the CEO, other executive officers and non-management directors pursuant to the Corporation's equity compensation plans or otherwise; (8) recommending to the Board compensation proposals such as the compensation to be paid to the Corporation's NEOs, say-on-pay, say-when-on-pay or equity incentive plans to be included in the Corporation's annual proxy statement; (9) reviewing the overall annual salary budget for the Bank's entire employee population; (10) conducting, or causing to be conducted, at its discretion, a periodic review of the Corporation's pension, 401(k), supplemental executive retirement and health and welfare plans; (11) reviewing and approving the compensation discussion and analysis included in the Corporation's annual proxy statement and preparing or causing to be prepared the Compensation Committee Report to be included therein; (12) reviewing executive management's determination of compensation of non-executive officers of the Corporation including the total amount of incentive compensation to be paid to such officers; (13) periodically reviewing the incentive compensation plans for senior vice presidents and other employee categories below the level of executive officer; and (14) considering the results of the most recent non-binding, stockholder advisory vote on executive compensation and, if deemed necessary, recommending to the Board changes in compensation policies, practices and decisions.

The Compensation Committee administers the Corporation's equity incentive plan, including selecting directors and officers to whom awards are to be made and determining the timing, duration, amount, type and terms of each award. Members of the Compensation Committee as well as all other non-employee directors of the Corporation have been eligible for awards of stock-based compensation in the past and it is currently anticipated that they will be eligible for future awards.

In determining an appropriate level of compensation for the CEO, other executive officers and the Board, the Compensation Committee periodically engages an independent compensation consulting firm to gather and help analyze the information necessary to make such determinations. In 2017, the Compensation Committee engaged Pearl Meyer & Partners ("PM&P"), an independent national compensation consulting firm, to conduct a review of the compensation of the Company's CEO, other executive officers and the Board. The objective of the review was to

provide an assessment of the competitiveness and effectiveness of the Corporation's compensation programs relative to peer banks. The Compensation Committee anticipates engaging a compensation consulting firm in 2019 to perform a similar review.

In performing their 2017 review, PM&P worked with the Compensation Committee to develop a custom peer group. The peer banks were similar in size and scope to the Bank, with total assets averaging approximately \$4.1 billion. This average compared to total assets for the Bank of approximately \$3.9 billion at year-end 2017. The peer group consisted of eighteen (18) publicly-held bank holding companies located in the Bank's general geographic area and included Arrow Financial Corporation, Bridge Bancorp, Inc., Brookline Bancorp, Inc., Bryn Mawr Bank Corporation, Century Bancorp, Inc., CNB Financial Corporation, ConnectOne Bancorp, Inc., Financial Institutions, Inc., First Connecticut Bancorp, Inc., Flushing Financial Corporation, Lakeland Bancorp, Inc., Northfield Bancorp, Inc., OceanFirst Financial Corp., Peapack-Gladstone Financial Corporation, Sun Bancorp, Inc., TrustCo Bank Corp NY, Univest Corporation of Pennsylvania and Washington Trust Bancorp, Inc. In addition to gathering and analyzing compensation data for the peer group, PM&P also gathered and analyzed peer compensation data from published industry surveys, including their own survey and surveys performed by the American Bankers Association and other nationally recognized compensation consulting firms. In performing their reviews, PM&P assessed total remuneration and the individual elements of total remuneration including base salary, annual cash incentive compensation, annual equity awards, retirement benefits and perquisites. Based on their reviews, PM&P provided the Compensation Committee with a comparison of the compensation of the CEO and other executive officers to the market 10th, 25th, 50th,

75th and 90th percentiles. PM&P also assessed the elements of Board compensation both individually and in the aggregate, including annual retainers, meeting-based fees and fees for chair roles and special meetings.

In addition to the services described above, PM&P was also engaged in 2017 to perform a review of the structural elements of the Corporation's executive incentive plan.

The Compensation Committee received a letter from PM&P regarding its independence under the six factors to be considered for such purposes under Nasdaq Rules, assessed the independence of PM&P pursuant to such rules and determined that PM&P is an independent and conflict-free advisor to the Corporation.

The Compensation Committee considers the most recent stockholder say-on-pay advisory vote in reviewing the Corporation's executive compensation policies, practices and decisions. The Compensation Committee concluded that no significant revisions were necessary to our executive compensation program as a result of the most recent say-on-pay advisory vote.

Compensation Committee Interlocks and Insider Participation. No member of the Compensation Committee: (1) was an officer or employee of the Corporation or the Bank; (2) was formerly an officer of the Corporation or the Bank; or (3) had any relationship requiring disclosure by the Corporation under the SEC's rules governing disclosure of related party transactions. No executive officer of the Corporation served as a director or member of a compensation committee of another entity, one of whose executive officers served as a member of the Corporation's Board or Compensation Committee.

Loan Committee of the Bank

The members of the Loan Committee are Paul T. Canarick, Howard Thomas Hogan, Jr., Stephen V. Murphy, Peter Quick, Denise Strain, Walter C. Teagle III and Michael N. Vittorio. The Committee met four times during 2018.

The Loan Committee is responsible for providing oversight with respect to the Bank's lending activities. In this regard, the Committee: (1) oversees credit risk and approves policies that govern lending activities and credit risk management; (2) reviews and ratifies the allowance for loan and lease losses; (3) reviews and approves specific loan transactions where required by policy; and (4) reviews reports from management, internal auditors, the internal loan review function and regulators related to lending activities and credit risk.

Asset Liability Committee of the Bank

The members of the Asset Liability Committee are Paul T. Canarick, Alexander L. Cover, Stephen V. Murphy, Walter C. Teagle III and Michael N. Vittorio. The Committee met five times during 2018.

The Asset Liability Committee is responsible for providing oversight with respect to the Bank's achievement of its overall objective of optimizing returns consistent with prudent risk management regarding assets, liabilities, equity and off-balance sheet activities. In this regard, the Committee: (1) oversees investment risk and approves the investment policy limits and operating guidelines set forth in the Bank's Investment Policy; (2) oversees the Bank's investment in and management of bank-owned life insurance and approves the pre-purchase, ongoing monitoring and other requirements set forth in the Bank's Bank-Owned Life Insurance Policy; (3) oversees interest rate risk and approves the risk limits and operating guidelines set forth in the Bank's Interest Rate Risk Policy; (4) oversees liquidity risk and approves the risk limits and operating guidelines set forth in the Bank's Liquidity Policy and Liquidity Contingency Plan; and (5) oversees management's use of embedded and stand-alone derivative instruments for purposes of managing interest rate risk and approves the hedging policy appendix of the Bank's interest rate risk policy.

BOARD MEMBER ATTENDANCE AT ANNUAL MEETINGS

The Board strongly encourages each of its members to attend the Annual Meeting of Stockholders. In this regard, the Board sets the date for the Annual Meeting of Stockholders to coincide with its April Board meeting. All directors attended the prior year's Annual Meeting of Stockholders which was held on April 17, 2018.

SECURITY HOLDER COMMUNICATIONS TO THE BOARD OF DIRECTORS

The Corporation's Board does not have a formal process for security holders to send communications to the Board. The Board believes that a formal process is unnecessary because the Corporation is relatively small and both the Chairman of the Board and the CEO, who is also a director, are easily accessible by telephone and mail.

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COMPENSATION OF DIRECTORS

Cash Compensation

The Chairman of the Board of the Corporation and the Bank receives an annual retainer for service on both boards. Non-employee directors of the Corporation receive an annual retainer for service on both boards for attending up to ten meetings per year and a per meeting fee for each meeting in excess of ten. Annual retainers and per meeting fees for service on both boards in 2018 are shown in the following table.

Board Member	Annual Retainer	Per Meeting Fee
Chairman	\$113,500	None
Non-employee Directors	\$35,000	\$1,250

Non-employee directors of the Corporation and the Bank receive annual retainers for Board committee service as shown in the following table.

Committee	Committee Chair	Committee Member
Audit Committee	\$16,000	\$7,500
Compensation Committee	\$11,000	\$5,000
Governance and Nominating Committee	\$9,000	\$4,000
Asset Liability Committee	\$11,000	\$5,000
Loan Committee	\$11,000	\$4,000

There are no per meeting fees for standing committee meetings. Loan Committee members are paid \$500 for each Management Loan Committee meeting attended, Ad-Hoc Committee chairs are paid fees ranging from \$500 to \$1,000 and Ad-Hoc Committee members are paid fees ranging from \$500 to \$750 for each meeting attended.

The Chairman does not receive per meeting fees or committee retainers. The CEO does not receive retainers or per meeting fees for Board or Board committee service.

Stock-based Compensation

The Corporation's 2014 Equity Incentive Plan ("2014 Plan") allows for the granting of equity awards to non-employee directors of the Corporation. Equity compensation for directors consists of restricted stock units ("RSUs"). The grant date fair value of RSUs granted to the Chairman and each non-employee director in 2019 based on 2018 service was \$70,000 and \$35,000, respectively.

RSUs granted to non-employee directors in 2016 through 2019 are time-based RSUs that vest ratably and convert into shares of Common Stock over a three-year time period. The RSUs granted in January 2016 also received annual cash dividend equivalents at the same rate as the dividends declared by the Board on the Corporation's Common Stock.

All outstanding RSUs granted to directors immediately vest upon an involuntary termination following a change in control, total and permanent disability or death.

Retirement Plan

On June 18, 1991, the Board of the Bank adopted The First National Bank of Long Island Retirement Plan for Directors ("Retirement Plan"). Effective December 31, 2000, benefits earned to date under the Retirement Plan were frozen and the ability of directors to earn additional benefits was discontinued. Upon retirement after attaining the age of sixty (60), each of the current directors who was a director prior to 2001 will receive a credit ("Credit Percentage") of ten percent (10%) multiplied by the number of years of service on the Board through December 31, 2000, not to exceed one hundred percent (100%). The annual benefit ("Annual Benefit") payable under the Retirement Plan is equal to the monthly Board of Directors' attendance fee in effect as of December 31, 2000, which was \$1,000, multiplied by twelve (12) and then multiplied by the Credit Percentage. The Annual Benefit is payable in quarterly installments for a period of seven (7) years from the date of retirement ("Payment Period"). In the event of the death of a director or a retired director, the surviving spouse of such director is entitled to receive an annual payment equal to seventy-five percent (75%) of the Annual Benefit, calculated as set forth above, and payable over the remainder of the applicable Payment Period. Messrs. Canarick, Hogan and Teagle are the only directors participating in the Retirement Plan.

The following table sets forth information concerning the compensation of directors for 2018.

Director Compensation

Name	Fees Earned or Paid in Cash (\$)	Stock Awards (1) (\$)	Change in Pension Value and Nonqualified Deferred Compensation Earnings (2) (\$)	Aggregate Option Awards		Aggregate Stock Awards Outstanding (3) (#)
				Total (\$)	Outstanding At Year End (#)	
Paul T. Canarick	52,750	35,000	1,590	89,340	6,272	4,525
Alexander L. Cover	65,250	35,000	-	100,250	10,118	4,525
John J. Desmond	51,250	35,000	-	86,250	-	3,339
Howard Thomas Hogan, Jr., Esq.	45,500	35,000	3,954	84,454	6,272	4,525
Louisa M. Ives (4)	-	-	-	-	-	-
Stephen V. Murphy	60,750	35,000	-	95,750	7,868	4,525
Peter Quick	66,127	35,000	-	101,127		