

**1707 Veterans Highway**
**Islandia, New York 11749**

**April 12, 2016**

Dear Shareholder:

You are cordially invited to attend the 2016 annual meeting of the shareholders of Empire Bancorp, Inc. The meeting will be held on May 19, 2016, at 1:00 p.m., local time, at the Islandia Marriott Long Island, 3635 Express Drive North, Islandia, New York 11749.

The accompanying notice of meeting and proxy statement describe the items to be considered and acted upon by the shareholders, including the election of directors and the proposal to ratify our independent auditors for 2016. Following the formal business of the annual meeting, management will report on our operations during 2015, comment on our outlook for 2016 and take questions from shareholders in attendance.

We hope that you will attend the 2016 annual meeting. However, whether or not you plan to attend, please complete, sign, date and return the accompanying proxy card or vote over the phone or Internet, as soon as possible so that your shares can be voted at the meeting in accordance with your instructions. Returning your proxy will NOT deprive you of your right to attend the meeting, to change or revoke your vote, or to vote your shares in person at the meeting. You will find the procedures to follow if you wish to revoke your proxy or otherwise change your vote on page 3 of this proxy statement. **Your vote is very important.**

We look forward to seeing you at the annual meeting.

Very truly yours,



Douglas C. Manditch
*Chairman of the Board and*
*Chief Executive Officer*

**NOTICE OF ANNUAL MEETING OF SHAREHOLDERS**
**OF EMPIRE NATIONAL BANK**

**To Be Held on May 19, 2016**

The 2016 annual meeting of shareholders of Empire Bancorp, Inc. will be held on May 19, 2016 at 1:00 p.m., local time, at the Islandia Marriott Long Island, 3635 Express Drive North, Islandia, New York 11749, for the following purposes:

1. To elect five Class II directors;

2. To ratify the appointment of Crowe Horwath LLP, as our independent auditors for the year ending December 31, 2016; and

3. To transact such other business that may properly come before the meeting or any adjournment or postponement of the meeting.

Our Board of Directors has fixed the close of business on March 31, 2016 as the record date for the determination of the shareholders entitled to notice of, and to vote at, the meeting.

**Your vote is important**. **Whether or not you expect to attend the meeting in person, please vote by marking, signing and dating the enclosed proxy card and returning it as soon as possible in the enclosed postage prepaid reply envelope**. You may also vote over the telephone or Internet as described on the enclosed proxy card. If your shares are registered in the name of a bank or brokerage firm, telephone or Internet voting will be available to you only if offered by your bank or broker, which will provide you with instructions on how to vote the shares held in your account. You may revoke your proxy at any time prior to its use at the meeting.

By Order of the Board of Directors



Douglas C. Manditch
*Chairman of the Board and*
*Chief Executive Officer*

Islandia, New York
April 5, 2016

***Your Vote is Very Important. Whether You Own One Share or Many, Your Prompt Cooperation in Voting Your Proxy Is Greatly Appreciated.***

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## PROXY STATEMENT

We are providing these proxy materials to you in connection with our 2016 annual meeting of shareholders. This proxy statement and the accompanying proxy card are being first mailed or electronically transmitted to our shareholders on or about April 12, 2016. This proxy statement contains important information for you to consider regarding the matters to be presented at the meeting. Please read it carefully. *When we refer in this proxy statement to "we," "our," or "us," we are referring to Empire Bancorp, Inc., unless the context indicates otherwise. When we refer to the "Bank," we are referring to Empire National Bank. When we refer to "you" and "your," we are referring to the shareholder reading this proxy statement.*

## ABOUT THE ANNUAL MEETING

**Q: Who is soliciting my vote?**

A: Our Board of Directors is soliciting your vote for the 2016 annual meeting.

**Q: What is a proxy?**

A: A proxy is a legal designation of another person to vote on your behalf. By completing and returning the enclosed proxy card, or voting by telephone or over the Internet, you are giving the named proxies, who were appointed by our Board, the authority to vote your shares in the manner that you indicate.

**Q: What does it mean if I receive more than one proxy card?**

A: It generally means your shares are registered differently or are in more than one account. Please provide voting instructions for all proxy cards you receive.

**Q: Who is entitled to vote at the annual meeting?**

A: You are entitled to receive notice of and to vote at the 2016 annual meeting if you owned shares of our voting common stock at the close of business on March 31, 2016, the record date for the meeting.

**Q. How many votes can be cast by all shareholders?**

A. As of March 31, 2016, there were 5,784,452 shares of common stock outstanding and entitled to vote. Each share of voting common stock is entitled to one vote on each matter presented.

**Q: What is the difference between a "shareholder of record" and a "street name" holder?**

A: These terms describe how your shares are held. If your shares are registered directly in your name in our stock records, you are considered the "shareholder of record" with respect to those shares, and these proxy materials are being sent directly to you by us. If your shares are held in a brokerage account or by a bank or other nominee, you are considered the beneficial owner of shares held in "street name," and these proxy materials are being forwarded to you by your broker, bank or nominee, who is considered the shareholder of record with respect to those shares.

**Q. How do I vote my shares?**

A. If you are a "shareholder of record," you have several choices. You can vote your proxy:

- by returning the enclosed proxy card in the enclosed postage pre-paid envelope;
- over the telephone by calling 1-800-690-6903; or
- over the Internet at www.proxyvote.com.

You may also vote your shares in person at the meeting. We encourage you to attend the meeting, and voting by proxy will not affect your right to attend the meeting and vote in person. However, to ensure that your shares are voted in accordance with your wishes and that a quorum is present at the meeting so that we can transact business, we urge you to register your vote by proxy as promptly as possible. Your prompt response will help reduce proxy solicitation costs. Please refer to the specific instructions set forth on the enclosed proxy card. For security reasons, our electronic voting system has been designed to authenticate your identity as a shareholder. If you hold your shares in "street name," your broker, bank, trustee or nominee will provide you with materials and instructions for voting your shares.

**Q. What if I do not vote for some of the matters listed on my proxy card?**

A. If you vote by proxy, your proxy will be voted in accordance with your instructions. However, if you return a signed proxy without indicating your vote on one or more proposals, your proxy will be voted in accordance with the recommendations of the Board as to those proposals for which no vote is indicated.

**Q: What are my choices when voting?**

A: You may vote "FOR" or "AGAINST" each director nominee or proposal, or you may "ABSTAIN" from voting on a director nominee or proposal.

**Q: How does the Board of Directors recommend that I vote my shares?**

A: The Board of Directors recommends a vote **"FOR"** the election of the five Class II nominees and "**FOR**" the proposal to ratify the appointment of Crowe Horwath LLP as our independent auditors for 2016.

**Q: How many votes must be present to hold the annual meeting?**

A: A majority of our issued and outstanding shares as of the record date, or 2,892,227 shares, must be present at the annual meeting in order to conduct business. This is called a "quorum." Your shares will be counted as present at the annual meeting if you are present and vote in person at the annual meeting or a proxy card has been properly submitted by you or on your behalf.

**Q: Do I have the right to cumulate my votes in the election of directors?**

A. No.

**Q: How are abstentions and broker non-votes treated?**

A: Abstentions and broker non-votes are counted as present and entitled to vote and are, therefore, included for purposes of determining whether a quorum is present at the annual meeting. However, they are not included as a vote "FOR" or "AGAINST" a proposal, which means that abstentions and broker non-votes will have no effect on the outcome of the election of directors or auditor ratification proposal.

**Q: Will my broker vote my shares for me if I do not return my voting instructions to my broker?**

A: Brokers do not have the authority to vote shares held in brokerage accounts in connection with the election of directors or certain other non-routine items, unless they have received instructions from their clients. Because the auditor ratification proposal is considered a routine item, your broker may vote your shares on that proposal even if you fail to return voting instructions to your broker. However, if your shares are held in a brokerage account and you fail to instruct your broker how to vote your shares, your shares will <u>not</u> be voted in the election of directors.

**Q: Can I change or revoke my vote after I have mailed in my proxy card or voted by telephone or over the Internet?**

A: You may change your vote or revoke your proxy by doing one of the following:

- by attending the meeting and voting your shares in person;
- by delivering a written notice of revocation to our Director of Investor Relations that is received prior to the meeting, stating that you revoke your proxy; or
- by delivering a later-dated proxy (including a telephone or Internet vote) that is received prior to the meeting in accordance with the instructions included on the proxy card.

**Q: What vote is required to approve each item?**

A: Election of Directors (Item One). A nominee will be elected to the Board of Directors if the votes cast "FOR" the nominee exceed the votes cast "AGAINST" the nominee.

Ratification of Crowe Horwath (Item Two). This proposal will be adopted if the votes cast "FOR" the proposal exceed the votes cast "AGAINST" the proposal.

**Q: Who will count the votes?**

A: Diane Murray, the Chief Risk Officer of Empire National Bank, will tabulate the votes at the meeting.

**Q: What do I need to bring to the annual meeting and when should I arrive?**

A: To be admitted to the annual meeting, you must present proof of your stock ownership as of the record date. If your shares are held in the name of a bank, broker or other holder of record, a brokerage statement, letter, or proxy from your bank or broker is an example of proof of ownership. Any holder of a proxy from a shareholder must present the proxy card, properly executed, to be admitted. Shareholders and proxy holders may also be required to present a form of photo identification, such as a driver's license.

Seating at the annual meeting will be limited. In order to ensure that you are seated by the commencement of the annual meeting at 1:00 p.m. on May 19, 2016, we recommend that you arrive early. If you have any further questions about voting your shares or attending the meeting, please call our Director of Investor Relations, William Franz, at (631) 348-4444.

**Q: How can I receive future shareholder communications electronically?**

A: If you received your annual meeting materials by mail, we encourage you to conserve natural resources, and help us reduce printing and mailing costs, by electing to receive your shareholder communications by e-mail. Your choice will remain in effect until you notify us otherwise, unless we are required by law to provide shareholder communications in a different manner. Electronic delivery can also help reduce the number of bulky documents in your personal files and eliminate duplicate mailings. To sign up for future electronic delivery, you may do one of the following:

- Request future electronic delivery when you vote via the Internet (www.proxyvote.com); or
- Notify William Franz, our Director of Investor Relations, by mail at the address on the first page of this proxy statement, by telephone at (631) 348-4444, or by email at ir@empirenb.com.

**Q: Could other matters be decided at the annual meeting?**

A: We know of no other matters that will be considered at the annual meeting. If any other matters arise at the annual meeting that are properly presented at the meeting, including a proposal to postpone or adjourn the meeting, the proxies will be voted at the discretion of the proxy holders.

**Q: What happens if the meeting is postponed or adjourned?**

A: Your proxy will still be good and may be voted at the postponed or adjourned meeting. You will still be able to change or revoke your proxy until it is voted.

## ITEM ONE -
## ELECTION OF DIRECTORS

Our Board of Directors consists of 16 persons, divided into three classes, with the directors in each class serving a three-year term. The term of each class expires at successive annual meetings so that our shareholders will elect one class of directors at each annual meeting. At the 2016 annual meeting, our shareholders will elect five Class II directors. Each of the nominees listed below was approved to serve as a Class II director by our Board of Directors upon the recommendation of the Nominating Committee.

Our Board of Directors has nominated the following five individuals to serve as Class II directors: Thomas M. Buonaiuto, John D. Caffrey, Jr., Larry R. Davis, Esq., Joseph S. Tantillo, Jr., and Jeffrey M. Weiner. Each of the nominees has been previously elected by the shareholders and has agreed to serve as a director, if elected, for an additional term. If any of the nominees should become unable to serve as a director, our Board of Directors may designate a substitute nominee. In that case, the persons named on the proxy card as proxies may vote for the substitute nominee or nominees recommended by the Board of Directors. We have no reason to believe that any of the five nominees for election named below will be unable to serve.

Set forth below is certain information with respect to each nominee for election as a director.

**Class II Director Nominees**

***Thomas M. Buonaiuto.*** Mr. Buonaiuto, age 50, has served as President and Chief Operating Officer, and a director of Empire Bancorp and Empire National Bank since their respective inceptions. As President and Chief Operating Officer, Mr. Buonaiuto is responsible for all day-to-day management of Empire Bancorp and the Bank. These responsibilities include, but are not limited to, strategic planning, budgeting, operations and retail functions, and asset/liability management. Before becoming the Bank's President and Chief Operating Officer, Mr. Buonaiuto served as Executive Vice President and Chief Financial Officer of Union State Bank, a $2.9 billion asset New York state commercial bank that was listed on the New York Stock Exchange, until its acquisition by KeyCorp in 2007. Prior to this, Mr. Buonaiuto was Executive Vice President and Chief Financial Officer of the Long Island Commercial Bank, and its holding company Long Island Financial Corp., and served in that capacity until its acquisition by New York Community Bancorp in 2005.

Mr. Buonaiuto is a graduate of Long Island University-C.W. Post, where he earned a Bachelor of Science degree in Accounting. He is also licensed by the State of New York as a Certified Public Accountant and is a member of the American Institute of Certified Public Accountants and a member of the New York State Society of Certified Public Accountants. In addition, he is a former Board President and present Board Member of the Child Care Council of Suffolk, Inc. and present trustee and Chairman of the Long Island Museum of American Art, History & Carriages in Stony Brook. Mr. Buonaiuto is also on the Executive Board of Advisors of the College of Management at LIU Post; a Board Member of the Ride for Life; and a member of The Energeia Partnership, a leadership academy dedicated to identifying and addressing the serious, complex and multi-dimensional issues challenging the Long Island region.

***John D. Caffrey, Jr.*** Mr. Caffrey, age 54, is the owner of Castle Financial Advisors, LLC and Castle Asset Management, LLC, located in Hauppauge, New York. Mr. Caffrey is a Certified Financial Planner™ certificant and has worked in the financial services industry for more than 30 years. He is a cum laude graduate of the State University of New York Oswego, where he earned a Bachelor of Science degree in Accounting, with a minor in Economics. He received his Certified Financial Planner designation through study with the College of Financial Planning in Denver, Colorado in July 1988. He is a member of the Financial Planning Association and is a registered representative of Purshe Kaplan Sterling Investments. He has served on the Boards of Directors of Empire Bancorp and Empire National Bank since their respective inceptions. Mr. Caffrey currently serves as Vice Chairman of the Board and Lead Independent Director of both Empire Bancorp and Empire National Bank.

***Larry R. Davis, Esq.*** Mr. Davis, age 53, is a principal in the law firm of Davis & Prager, P.C. located in Patchogue, New York and is currently admitted to practice in the States of New York and Connecticut. Mr. Davis concentrates his law practice in the area of real estate development, including real estate transactions, subdivision of property, zoning use, land planning and development. He currently serves on the Board of Directors of the Long

Island Builders Institute, where he has also served as a past president. Mr. Davis is a member of the Board of Directors of the Long Island Builders Care Development Corp., a not for profit organization dedicated to building houses for our returning war veterans. He is also the active chair of the Brookhaven committee and co-chair of the legal committee. Mr. Davis is also a member of the Suffolk County Bar Association and is on the advisory panel of First American Title Company of New York.

Mr. Davis grew up in Hauppauge, New York and is a graduate of Hauppauge High School (class of 1980). After earning his Bachelor of Science degree from the State University of New York at Old Westbury, he was a store manager for Burger King Corporation before joining Structural Technology, Inc., one of Long Island's leading residential builders and developers of the time. During this time, Mr. Davis also attended Touro Law School and received his Juris Doctor degree. He has also served as a volunteer with the Flanders Fire Department. Mr. Davis has served on the Boards of Directors of Empire Bancorp and Empire National Bank since their respective inceptions.

***Joseph S. Tantillo, Jr.*** Mr. Tantillo, age 55, is the Founder and Chief Executive Officer of NSE Trade Corp., a full service provider of plumbing, heating, electrical and HVAC services on Long Island. In addition, Mr. Tantillo is also the founder and owner of JST Operations Corp., a new venture for home service and electrical work throughout Long Island. He also served as Chairman of the St. Charles Hospital Board of Trustees, a position to which he was appointed in 2005 and held until 2009. Prior to his appointment, his board experience with St. Charles Hospital included serving on the Performance Improvement Committee and as Chairman of the Finance Committee. As Chairman of the Finance Committee, he also organized and chaired the hospital's first Audit and Compliance Committee. Under his leadership, the hospital approved a $130 million budget as well as a $6 million capital budget. From 2004 to 2006, Mr. Tantillo worked in collaboration with St. Charles Hospital's administration to affect a $20 million financial turnaround resulting in two consecutive years of positive financial performance. From 2009 to 2011, Mr. Tantillo served as Vice Chairman of Catholic Health Services ("CHS") Eastern Regional Board, with oversight of St. Charles Hospital, Good Samaritan Hospital and St. Catherine's Hospital. In this position, Mr. Tantillo was assigned the task of integrating the three eastern hospitals into the parent CHS health system. CHS is a $3 billion a year health care system, which employs more than 15,000 people. Since 2010, he has also served as a member of the parent CHS Board. During this time he has served as a member of the Finance Committee, Governance Committee, Planning Committee, Human Resource Committee, and Executive Compensation Committee. He currently serves as Secretary of the CHS Board, Chairman of the Governance Committee and member of the Executive Committee, Nominating Committee, Planning Committee and Executive Compensation Committee. In addition, he currently serves as Vice Chairman of St. Joseph Hospital's Board and Chair of the Finance Committee, while again transitioning the newly acquired hospital into the parent system.

A philanthropic community businessman, Mr. Tantillo has organized fundraisers across Long Island for such charities as the St. Charles Hospital and the Tomorrow's Children's Fund at Hackensack Medical Center. In addition, Mr. Tantillo has participated in six episodes of the ABC hit show Extreme Makeover: Home Edition as a team captain. He has served on the Boards of Directors of Empire Bancorp and Empire National Bank since their respective inceptions.

***Jeffrey M. Weiner.*** Mr. Weiner, age 58, is licensed by the State of New York as a Certified Public Accountant and is the Managing Partner of Marcum LLP. Under his leadership, the firm has expanded from a one-office firm of 20 employees to a five-office firm that now ranks in the top twenty public accounting firms in the United States, the top seven public accounting firms in the New York metropolitan area, and is the largest public accounting firm on Long Island. Mr. Weiner, who graduated from Hofstra University with a Bachelor of Business Administration degree, has been instrumental in building a multiservice organization; the Marcum Group companies include Marcum LLP; Marcum Technology LLC; Marcum Search LLC; Marcum Financial Services LLC; Marcum Bernstein & Pinchuk LLP; and MarcumBuchanan Associates LLC.

In addition to his responsibilities as Managing Partner, Mr. Weiner manages Marcum LLP's entertainment practice and is a nationally-recognized expert on personal business management for the entertainment industry. Mr. Weiner served as Executive Producer of the Universal Pictures films, *The Bourne Supremacy and The Bourne Ultimatum*, starring Matt Damon and released in July 2004 and August 2007, respectively. He was Executive Producer of *"The Hades Factor,"* a mini-series that aired on CBS television in April 2006, and a Producer of The

Bourne Legacy, released by Universal Pictures in August 2012, starring Jeremy Renner. He is currently co-producing the fifth installment of the Jason Bourne franchise, starring Matt Damon, due out in July 2016.

Mr. Weiner is a founding member of LEA Global: Leading Edge Alliance, an international association of independent accounting firms. In 2013 and 2015, LEA honored Marcum with Edge Awards for industry excellence in four categories, including Mr. Weiner's blog, Thoughts of the Week. Marcum was also the recipient of the 2012 LEA Innovative Firm Initiative of the Year Award, for the first annual Marcum MicroCap Conference, the first event of its kind in the accounting industry. In 2009, the association distinguished Mr. Weiner with the LEA On the Edge Innovation Award, which recognizes an individual who has made an enduring and pioneering contribution to the public accounting profession.

Mr. Weiner also serves on the Advisory Board for the Long Island Business Development Corporation; the Editorial Board for the CPA Journal; Vice President, Executive Board Member for The Children's Medical Fund of New York; and member of the Board of Directors for the Nassau County Society for the Prevention of Cruelty to Animals. He has served on the Boards of Directors of Empire Bancorp and Empire National Bank since their respective inceptions.

**Vote required**

A director nominee will be elected if the votes cast for the nominee exceed the votes cast against the nominee. In the event that a nominee who is currently serving as director receives more votes cast against the nominee than for the nominee, that director will be required to promptly offer to tender his or her resignation following certification of the shareholder vote, and the Nominating Committee will promptly consider the resignation offer and recommend to the full Board of Directors whether to accept it. The director whose resignation is under consideration will abstain from participating in any decision of the Nominating Committee or the Board of Directors regarding such resignation. The Board will publicly disclose its decision on the resignation within 90 days after certification of the voting results.

If you return a proxy, but fail to indicate your vote with respect to the election of directors, the persons named in the enclosed proxy will vote to elect the nominees as directors. The nominees have indicated a willingness to serve, if elected, but if any nominee should be unable or unwilling to serve, proxies may be voted for a substitute nominee designated by the Board of Directors.

**The Board of Directors recommends that shareholders vote "*FOR*" the election of the five persons nominated by the Board to serve as Class II directors.**

**Other directors**

The following information is provided with respect to directors who are continuing in office for the respective periods and until their successors are elected and qualified:

***Class III directors – To be elected at the 2017 annual meeting***

***Francis F. Boulton.*** Mr. Boulton, age 65, is the owner and Chief Executive Officer of the Long Island Ducks, a minor league baseball team. A lifetime resident of the Bay Shore/Brightwaters area, he has owned and operated many successful minor league franchises, including the Prince William Cannons, the Albany-Colonie Yankees (Class-A and AA affiliates of the New York Yankees), the Wilmington Blue Rocks (Class-A affiliate of the Kansas City Royals) and is the principal owner of the Bridgeport Bluefish and the New Britain Bees. He also is the former owner of the Long Island Rough Riders Professional Soccer Team, 2002 D3 National Champions. In addition to his ownership interests, Mr. Boulton is the founder and Chief Executive Officer of the Atlantic League of Professional Baseball.

Mr. Boulton graduated from Villanova University in 1973 with a B.S. in Finance. Following graduation, he started a 23-year career on Wall Street in the U.S. Treasury and mortgage-backed bond industry. He retired from Smith Barney in 1994 as Senior Managing Director of the Government Bond Department. He returned to Wall Street in 1996 to serve as the Senior Executive Vice President in charge of the Fixed Income Department for Yamaichi America, and served in this capacity until 1999.

Mr. Boulton is also actively involved in many charitable organizations within the communities that the Bank serves. In 2003, he announced the formation of the QuackerJack Foundation, a charitable organization focused on Long Island causes and initiatives. He is a Member of the Long Island Board of Directors of the YMCA. In 2004, he opened and donated the Boulton Center for the Performing Arts, a state of the art venue for expanded cultural arts offerings to the Long Island YMCA. Mr. Boulton has also been responsible for the development of the YMCA in Bay Shore and has been tireless in his efforts to improve the Bay Shore area. In May 2003, he was recognized for his efforts in the community and Long Island sports, when he was inducted into the Suffolk County Sports Hall of Fame. He has served on the Boards of Directors of Empire Bancorp and Empire National Bank since their respective inceptions.

***John L. Ciarelli, Esq.*** Mr. Ciarelli, age 69, is President of the law firm of Ciarelli & Dempsey, a civil and criminal trial practice in Riverhead, New York, specializing in zoning, land use, real estate, commercial and general litigation and criminal law. Mr. Ciarelli is a former Assistant District Attorney for Suffolk County as well as former Counsel for Smithtown & St. James Water Districts and Smithtown Board of Zoning Appeals. Mr. Ciarelli is an active member of the New York State Bar Association and a Past President of both the Suffolk County Criminal Bar Association and the Suffolk County Columbian Lawyers Bar Association.

A resident of St. James, Mr. Ciarelli is a past director of the YMCA of Long Island, Inc. Mr. Ciarelli presently sits on the Board of Directors of the Brookhaven YMCA. He also has substantial bank board experience having served on the Board of Directors of Long Island Commercial Bank, and its holding company Long Island Financial Corp., from its inception in 1989 through its acquisition by New York Community Bancorp in 2005.

Mr. Ciarelli is a graduate of the State University of New York, Stony Brook, where he earned his Bachelor of Arts degree and later served there as an adjunct professor of Political Science from 1999-2003. He received his law degree from St. John's University School of Law in 1976. He has served on the Boards of Directors of Empire Bancorp and Empire National Bank since their respective inceptions.

***Frank A. DiFazio.*** Mr. DiFazio, age 81, is President of Dekal Services, Inc. He previously served as Chief Executive Officer of DiFazio Electric, Inc. from 1972 through 2008. Mr. DiFazio previously served as a director of Long Island Commercial Bank, and its holding company Long Island Financial Corp., for two years prior to its acquisition by New York Community Bancorp in 2005. He also was the Founder and President of DiFazio Electric NY, Inc. a leading electrical contracting company for over thirteen years serving the greater New York Metropolitan area and Westchester County, in New York. Mr. DiFazio has been Chairman of the Board of DiFazio Power and Electric since 2008.

In addition to his professional contributions, Mr. DiFazio has served the communities in which he has worked and lived both in the professional, industrial and philanthropic sectors serving for ten years as a Director and Trustee of Good Samaritan Medical Center Bay Shore, for nine years as an advisory member of the New York Chapter of the American Cancer Society, for six years as a trustee of the Media Institute located in Georgetown, for twenty-three years as Chairman of the Suffolk County Consumer Affairs Licensing Board, for twenty years as a member of the National Electrical Contractors Association and the Nassau/Suffolk Building Trades Association and as a Director of Guardian Angel Orphanage. He has served on the Boards of Directors of Empire Bancorp and Empire National Bank since their respective inceptions.

***Robert D. Falese, Jr.*** Mr. Falese, age 69, has more than 40 years of experience in banking and currently serves as a consultant to Patriot Financial Partners, L.P., a private equity firm with more than $500 million in assets under management focused on investing in community banks, thrifts and financial service related companies throughout the United States. Prior to joining Patriot Financial Partners, Mr. Falese served as Chairman for Commercial Banking for TD Bank, N.A. from 2007 to 2009. From 1992 through its acquisition by TD Bank, N.A. in 2007, Mr. Falese served in numerous senior executive officer positions with Commerce Bank, N.A., including as

President, Commercial and Investment Banking, from 2004 to 2007, and as Executive Vice President and Chief Lending Officer from 1992 to 2007. During his tenure at Commerce Bank, the bank grew from $800 million to $50 billion and from 10 offices to 450 offices. Mr. Falese was directly responsible for hiring and developing senior managers to fuel the bank's growth and directing the bank's lending and investment banking activities, which grew 10% or more each year with sound credit metrics. Between 1969 and 1992, Mr. Falese held various senior management positions at Fidelity Bank, N.A. and First Pennsylvania Bank. Mr. Falese is a graduate of St. Joseph's University, where he earned a Bachelor of Science in Economics, and of Drexel University, where he earned a Master of Business Administration. He also completed the Executive Management Development Program at Duke University.

Mr. Falese served as a Trustee, Vice Chairman and Chairman of the Board for St. Joseph's University from 2007 to 2014. He also serves as a Director for NHS Enterprises and formerly served as a Director for NHS Human Services, a $500 million revenue company serving developmentally disabled, autistic and special needs adults and children in Pennsylvania and six other states.

***Mukeshkumar Patel.*** Mr. Patel, age 56, has over 30 years of experience in hospitality, commercial real estate and small business financing. Currently, he is President of Mayur Corporation. From 1983 to 2015, he also served as President and co-owner of the Shirley Motel. Prior to his career in business, Mr. Patel worked as a Production Supervisor at Private Formulation, Inc., a pharmaceutical manufacturer.

Mr. Patel is an avid supporter of children's health and education programs in both the United States and India. He has a Master of Science degree in Product Engineering from Maharaja Sayji Rao University and a Bachelor of Science in Chemical Engineering from Sardar Vallavbhai University in India. Mr. Patel resides in Shirley, New York. He has served on the Boards of Directors of Empire Bancorp and Empire National Bank since their respective inceptions.

***Paul J. Tonna.*** Mr. Tonna, age 57, is Molloy College's Executive Director for The Energeia Partnership, a leadership academy dedicated to identifying and addressing the serious, complex and multi-dimensional issues challenging the Long Island, New York region. Concurrently, he serves as managing partner of Praxis Public Relations located in Huntington, New York.

Mr. Tonna served from 1994 to 2005 as a Suffolk County Legislator and, for three years (2000-2002), his fellow legislators chose him to lead the Suffolk County Legislature as its Presiding Officer. During his 12 years of elected office, Mr. Tonna was a strong advocate for the poor, homeless and marginalized on Long Island, affordable housing, labor organizations and the environment. He sponsored, co-sponsored, and passed numerous laws and initiatives, including ground breaking non-smoking legislation; innovative programs focused on eliminating child poverty and homelessness; legislation designed to elevate the standard of living for all Suffolk County residents and innovative Greenways Funds to protect open space, farmlands and parklands.

Mr. Tonna is a strong advocate of immigrants working and living on Long Island. The 2003 award-winning film documentary Farmingville chronicled some of those efforts. He has also appeared on numerous radio and TV shows including Lou Dobbs, CNN; The Oxygen Network; LI Telecare: TV 55; The Rosie O'Donnell Show; News 12 Long Island; NBC News 4 and PBS WLIW 21.

Mr. Tonna is former Adjunct Professor in Theology & Religious Studies at St. John's University. He serves as Former Chairman, Suffolk County Industrial Development Agency (IDA); Trustee of the Long Island State Parks & Recreation Commission and Public Trustee of the Stationary Engineer's Industry Stabilization Fund. Mr. Tonna is a board member of United Way LI, Advanced Energy Research & Technology Center (Stony Brook University), Energeia Board of Advisors (Molloy College); The Long Island Index Advisory Board and Erase Racism's College of Advisors. He also serves as the Executive Director of the Suffolk County Village Officials Association's (SCVOA) and the United States Green Building Council-Long Island (USGBC-LI). Mr. Tonna serves as Chairman & Commissioner of the South Huntington Water District.

Mr. Tonna has received many awards and honors including Molloy College's Caritas Medal; St. John's University St. Vincent De Paul Medal; Suffolk County Human Rights Commission Legislator of the Year; National Association of Social Workers Public Citizen of the Year; Habitat for Humanity Man of the Year; The Nature

Conservancy's Conservation Award Recipient; Networking Magazine's David Award; Long Island Business News 50 Around 50 Award; ACIT Community Advocate Award; Dr. Martin Luther King, Jr. Commission Public Service Award; American Jewish Committee Service Honoree and achieved the rank of Eagle Scout.

Mr. Tonna earned an undergraduate degree in philosophy from New York University, a Masters of Arts degree in theology from Immaculate Conception Seminary and conducted doctoral studies in systematic theology at Fordham University. He resides in Huntington, New York. He has served on the Boards of Directors of Empire Bancorp and Empire National Bank since their respective inceptions.

***Class I directors – To be elected at the 2018 annual meeting***

***Douglas C. Manditch.*** Mr. Manditch, age 68, has served as the Chairman of the Board and Chief Executive Officer of Empire Bancorp and Empire National Bank since their respective inceptions. Mr. Manditch celebrated his 50th Anniversary in the banking industry on July 1, 2015 and has served his entire banking career on and around Long Island. As Chief Executive Officer, Mr. Manditch is responsible for strategic planning, budgeting, profit planning, and lending activities. He is also the Bank's primary contact to the community and provides leadership in key community activities, including business, civic, charitable and social organizations, to promote the Bank's corporate citizenship and to ascertain the credit needs of the community.

Previously, he served as President and Chief Executive Officer and a director of Long Island Commercial Bank and its holding company, Long Island Financial Corp., from its formation in 1987 until its sale to New York Community Bancorp., Inc. in December 2005. Shortly following the acquisition and his appointment as Senior Executive Vice President and Chief Operating Officer of New York Commercial Bank, he resigned to organize this bank. He has also held senior management positions with National Bank of New York City, North Fork Bank and First National Bank of Long Island. He began his banking career in 1965 at Security National Bank.

In addition to his banking activities, Mr. Manditch serves on the Board of The Clark Gillies Foundation; the YMCA of Long Island; Island Harvest; the Independent Bankers Association of New York; and the Richard J. O'Brien Foundation. He previously served as Chairman of the Advancement for Commerce, Industry and Technology (ACIT), the New York Bankers Association, Long Island Division and the New York Division of the American Bankers Association. Furthermore, Mr. Manditch has served on the Board of the Monsignor Thomas Hartman Foundation for Parkinson's Research, Inc.; Vice Chairman of the Honorary Board of the Suffolk County Coalition Against Domestic Violence; an Honorary Member of The Friends of Sagamore Hill; the Theodore Roosevelt Council of the Boy Scouts of America; Vice Chairman of the Board of Trustees of St. Charles Hospital in Port Jefferson; and Trustee of the Long Island Museum of American Art, History & Carriages in Stony Brook.

***John P. Bracken, Esq.*** Mr. Bracken, age 78, has served on the Boards of Directors of Empire Bancorp and Empire National Bank since their respective inceptions. Mr. Bracken was formerly the managing partner of Bracken, Margolin & Besunder, LLP in Islandia, New York, which specializes in real estate, commercial and general litigation at the trial and appellate level. Currently, he is a member of the Board of Directors of the Martin County Library Foundation and of the Advisory Committee for Monarch Country Club; both are located in Florida. Mr. Bracken is a member and Past President (1992-93) of the New York State Bar Association, as well as a member and Past President (1984-85) of the Suffolk County Bar Association. In 2008, he was inducted into the American College of Trial Lawyers. In addition to his legal career, Mr. Bracken served for three years as a director of Continental Bank prior to its acquisition by Reliance Federal Savings Bank in 1997. He previously served as a Captain in the United States Marine Corps. Mr. Bracken is a graduate of Hobart College and Fordham University Law School in New York City.

***Dr. Alan M. Coren.*** Dr. Coren, age 61, is President of West Hills Animal Hospital P.C. Dr. Coren organized the hospital in May 1982 and grew it to become one of Long Island's largest, most respected veterinary practices. He is an active member of the American Veterinary Medical Association, New York State Veterinary Medical Society, Long Island Veterinary Medical Association and American Animal Hospital Association, among others. He is a graduate of Cornell University, where he earned Phi Zeta honors in 1980. In support of our community, Dr. Coren works with the Guide Dog Foundation, East Coast Assistance Dogs, Canine Companions for Independence, MercyFirst of Syosset and many of the local town shelters to provide complimentary veterinary care. He is also the owner of Locust Valley Veterinary Clinic and co-owner of West Hills East Veterinary Clinic in

Commack. In the summer of 2016, Dr. Coren will be opening Gold Coast Center for Veterinary Care in Huntington, a practice that will provide the public with veterinary specialists in every major discipline. He has served on the Boards of Directors of Empire Bancorp and Empire National Bank since their respective inceptions.

***Salvatore Ferro***. Mr. Ferro, age 52, is the President, CEO and owner of Alure Home Improvements, a premier residential remodeling company on Long Island since 1946. He is an eight-time remodeler for the ABC hit show Extreme Makeover: Home Edition and has received countless design and build awards from industry organizations, including induction into the Business Hall of Fame at SUNY Farmingdale; and the Long Island Press Power List Hall of Fame. In addition, he is an award-recipient recognized as the Long Island Business News CEO of the Year and the LIA Humanitarian of the Year. He achieved his Certified Remodeler (CR) Certification from the National Association of the Remodeling Industry (NARI) in 1997. He also achieved his Certified Kitchen Designer (CKD) Certification from the National Kitchen and Bath Association (NKBA) in 2002.

Mr. Ferro is also an active member in the community who has helped raise thousands of dollars for not-for-profit organizations. In his ongoing commitment to the community, Mr. Ferro is on the Nassau County Department of Consumer Affairs Home Industry Advisory Board; the Board of Directors of The Huntington Townwide Fund, a charity that raises money for other charities within the Huntington community; The Clark Gillies Foundation, a not-for-profit organization developed to assist children who are physically, mentally or financially challenged; The Interfaith Nutrition Network, a charity that focuses on raising money for homeless shelters and soup kitchens; Advancement for Commerce Industry and Technology (ACIT), a business association; Community Chest of Long Island, an on-going fund to provide immediate, short-term financial support to needy individuals and families on Long Island; the Long Island Builders Institute, where he serves as an officer and the current Treasurer; The Farmingdale College Foundation; and The Advisory Council of the Suffolk County Boy Scouts. He has served on the Boards of Directors of Empire Bancorp and Empire National Bank since their respective inceptions.

***Charles C. Russo, Esq.*** Mr. Russo, age 66, is the senior partner and founder of Russo, Karl, Widmaier & Cordano, PLLC in Hauppauge, New York. He is a graduate of University of Vermont, C.W. Post and Hofstra Law School in 1978. He is a respected member of the Suffolk County Bar Association, a retired Associate Justice, a retired Village Justice who served for 30 years and an Adjunct Professor of Criminal Justice at Suffolk Community College and C.W. Post. In addition to the volunteer work within his community, Mr. Russo and the firm of Russo, Karl, Widmaier & Cordano PLLC provide free legal services to Hope House Ministries and its residents and have established a legal clinic for the homeless of Suffolk County.

Mr. Russo has served as Chairman of the Board of Hope House Ministries for the past 36 years. He also is the Chair of the Nassau Suffolk Homeless Coalition, and is the founder and driving force behind the charitable organization Christmas Magic, which seeks to enhance the holiday spirit for families living in various shelters and programs in Suffolk County. Through his vast experience advising not-for-profit corporations in New York, Mr. Russo has guided many corporations through the legal maze to provide millions of dollars of revenue to create housing for the disabled. He has served on the Boards of Directors of Empire Bancorp and Empire National Bank since their respective inceptions.

## CORPORATE GOVERNANCE PRINCIPLES AND BOARD MATTERS

We are committed to having sound and effective corporate governance principles and practices. To this end, our Board of Directors has adopted a set of Corporate Governance Guidelines that embodies these principles. The Guidelines set forth, among other matters, Board membership criteria, director retirement and resignation policies, our director independence standards, information about other policies and procedures of the Board, the Board's leadership structure and the responsibilities of the Lead Independent Director.

### Shareholder communications with the Board of Directors

Our Board of Directors has established a process for shareholders to communicate with the Board or with individual directors. Shareholders who wish to communicate with the Board or with individual directors should direct written correspondence to our Director of Investor Relations at our principal executive offices located at 1707 Veterans Highway, Islandia, New York 11749. Any such communication must contain a representation that the

shareholder is a beneficial owner of our capital stock, the name and address of the shareholder sending the communication, and the class and number of shares of stock that are beneficially owned by the shareholder.

Our Director of Investor Relations will forward the communications to the Board of Directors or the specified individual director to whom the communication is directed unless the communication (i) constitutes commercial advertising of products, (ii) contains offensive language or material, (iii) is not legible or coherent, or (iv) is in the nature of customer complaints that can be handled by management.

**Board independence**

In accordance with our Corporate Governance Guidelines, the Board of Directors determines the independence of each director and nominee for election as a director. In making determinations with respect to independence, the Board relies on responses to questionnaires completed by each director and from research of our corporate records provided by the President and Chief Operating Officer. Our Board, upon the recommendation of the Nominating Committee, has determined that the following 14 non-employee directors are independent:

1. Francis F. Boulton
2. John P. Bracken, Esq.
3. John D. Caffrey, Jr.
4. John L. Ciarelli, Esq.
5. Dr. Alan M. Coren
6. Larry R. Davis, Esq.
7. Frank A. DiFazio
8. Robert D. Falese, Jr.
9. Salvatore Ferro
10. Mukeshkumar Patel
11. Charles C. Russo, Esq.
12. Joseph S. Tantillo, Jr.
13. Paul J. Tonna
14. Jeffrey M. Weiner

The Board has also determined that Douglas C. Manditch and Thomas M. Buonaiuto, as employed executive officers, are not independent.

**Director qualifications**

Our Board of Directors considers all qualified candidates identified by members of the Board of Directors, by senior management and by shareholders. The Nominating Committee recommends nominees for election to the Board. The Board of Directors has determined this practice of selecting directors to be appropriate as a means of ensuring diversity of viewpoints, background, experience and similar demographics on the Board of Directors. The Nominating Committee reviews each candidate's biographical information and assesses each candidate's independence, skills and expertise, based on the variety of factors, including the following criteria:

- Demonstrated ability and sound judgment that usually will be based on broad experience;
- Personal qualities and characteristics, accomplishments and reputation in the business community, professional integrity, educational background, business experience and related experience;
- Willingness to objectively appraise management performance;
- Giving due consideration to potential conflicts of interest, current knowledge and contacts in the communities in which we conduct business and in the banking industry or other industries relevant to our business;
- Ability and willingness to commit adequate time to Board and committee matters including attendance at Board meetings, committee meetings, and annual shareholders meetings;
- Commitment to serve on the Board over a period of several years to develop knowledge about the Bank's principal operations;
- Fit of the individual's skills and personality with those of other directors and potential directors in building a Board that is effective, collegial and responsive to the needs of our organization and shareholders; and

- Diversity of viewpoints, background, experience and similar demographics.

Application of these factors involves the exercise of judgment by the Nominating Committee and the Board of Directors.

We do not have a formal policy regarding the consideration of diversity in identifying director nominees, but our Board of Directors strives to nominate directors with a variety of complementary skills so that, as a group, the Board of Directors will possess the appropriate talent, skills and expertise to oversee our businesses.

We believe that it is appropriate that the Board of Directors be comprised of a majority of independent directors and that at least one audit committee financial expert serve on the Audit Committee. Based on our assessment of each candidate's independence, skills and qualifications and the criteria discussed above, the Nominating Committee makes recommendations regarding director nominees to our Board of Directors. The Nominating Committee follows the same process and uses the same criteria for evaluating candidates proposed by shareholders, members of our Board of Directors and members of senior management.

**Leadership structure**

Our Board of Directors does not have a fixed policy regarding the separation of the roles of Chief Executive Officer and Chairman of the Board, as it believes that it is in the best interests of our organization to make that determination based on the position and direction of the organization and the membership of the Board. Our Board has determined that having our Chief Executive Officer serve as Chairman of the Board is in the best interests of our organization and shareholders at this time. This structure makes best use of the Chief Executive Officer's extensive knowledge of our banking subsidiary and the banking industry, as well as fosters greater communication and coordination between senior management and the Board. The Board also believes that Mr. Manditch, rather than an outside director, is in the best position, as Chairman and Chief Executive Officer, to lead Board discussions regarding business and operating strategy and to help the Board respond quickly and effectively to the many business, market and regulatory challenges resulting from the rapidly changing financial services industry.

Although the Board believes that it is effective to have the Chairman and Chief Executive Officer positions combined in one person at this time, it also recognizes the importance of strong independent leadership on the Board. Accordingly, in addition to maintaining a significant majority of independent directors and wholly-independent Audit, Compensation and Nominating Committees, our Board of Directors has designated director John D. Caffrey, Jr. as Lead Independent Director. The Lead Independent Director serves as a liaison between the Chairman and the other independent directors and has the authority to call and chair meetings of the independent directors as often as necessary.

**Board meetings**

Our Board of Directors held 14 meetings in 2015, and the Board of Directors of Empire National Bank held 14 meetings in 2015. All directors attended at least 75% of the Board and committee meetings on which they served during 2015, with the exception of Paul Tonna. Directors are encouraged to attend annual meetings of our shareholders, although we have no formal policy on director attendance at annual meetings.

**Standing committees**

Our Board of Directors has established the following three standing committees: Audit Committee, Nominating Committee and Compensation Committee. Each of these committees operates as a joint committee of the Boards of Directors of Empire Bancorp and the Bank and is described below:

***Audit Committee*** – The Audit Committee monitors management, financial statements, and internal and external audit reports. The committee is also responsible for all safety and soundness issues relating to our internal auditing policies and procedures, as well as those established by regulatory authorities and/or recommended by accountants, counsel and/or outside consultants. The Audit Committee is composed solely of independent directors. To assist it in executing its functions, the committee has the authority to engage its own outside advisors. The

committee supervises the audit function directly to verify that auditors, internal and external, are independent of management and are objective in their findings. The committee contracts for outside audit services and/or reviews audit plans, hires senior audit personnel, sets compensation, and evaluates performance of audit personnel. The committee may meet with the outside auditors as necessary to review reports and discuss findings and monitor management's efforts to correct deficiencies described in an audit or a regulatory examination. The committee also serves as a vehicle for communicating risk management concerns to the full Boards of Directors of Empire Bancorp and the Bank. The Audit Committee seeks to ensure that risk management evaluation functions are independent, because the objective is to evaluate management's ability to manage risk within the policies established by Empire Bancorp and the Bank. The Audit Committee operates under a written charter. The members of the Audit Committee are Jeffrey M. Weiner, CPA (Chair), Francis F. Boulton, John P. Bracken, Esq., John D. Caffrey, Jr., John L. Ciarelli, Esq., Dr. Alan M. Coren, Robert D. Falese, Jr., Salvatore Ferro, Mukeshkumar Patel, Charles C. Russo, Esq. and Paul J. Tonna. The Audit Committee held eight meetings in 2015.

***Nominating Committee*** - The Nominating Committee seeks to identify individuals qualified to be directors of Empire Bancorp and the Bank, recommend director nominees to the Boards, and ensure that the Audit, Compensation and Nominating Committees have the benefit of qualified "independent" directors. While the Nominating Committee has the authority to do so, it has not, as of the date of this proxy statement, paid any third party to assist in identifying and evaluating Board nominees. The Nominating Committee operates under a written charter. The members of the Nominating Committee are Charles C. Russo, Esq. (Chair), John P. Bracken, Esq., John D. Caffrey, Jr., John L. Ciarelli, Esq., Larry R. Davis, Esq., Frank A. DiFazio, and Joseph S. Tantillo, Jr., each of whom the Board has determined is independent under our Corporate Governance Guidelines. The Nominating Committee held two meetings in 2015.

***Compensation Committee*** - The Compensation Committee develops compensation strategies, and reviews its strategies and achievement of its objectives related to these activities. Among other things, the committee reviews and approves on an annual basis the evaluation process and compensation structure for the Bank's senior executive officers; evaluates the performance of the Bank's senior executive officers and approves annual compensation (including salary, bonus, incentive and equity compensation); reviews director compensation levels and practices; and reviews the Bank's compensation, incentive compensation and equity-based plans and recommends changes in such plans to the Board of Directors as needed.

The Compensation Committee operates under a written charter. The members of the Compensation Committee are John D. Caffrey, Jr. (Chair), John P. Bracken, Esq., John L. Ciarelli, Esq., Robert D. Falese, Jr., Joseph S. Tantillo, Jr., and Jeffrey M. Weiner, each of whom the Board has determined is independent under our Corporate Governance Guidelines. The Compensation Committee held one meeting in 2015.

In addition to the joint standing committees of the Board of Directors of Empire Bancorp and the Bank, the Board of Directors of the Bank has separately established the following four standing committees, which operate solely at the bank level: Executive Committee, Board Loan Committee, Investment Committee and Human Resources Committee. Each committee is described below:

***Executive Committee*** – The Executive Committee responds to issues that require swift resolution or when convening the full Board is impractical. This committee handles matters requiring director involvement that arise between full Board meetings. The executive committee may relieve the full Board of detailed reviews of information and operational activities. All major functions are subject to review and approval by this committee, except when full Board approval is required. This committee may also coordinate the work of other Board committees. However, the Executive Committee does not have the authority to exercise all of the Board's powers; for example, the full Board generally reserves the right to execute extraordinary contracts and address strategic decisions, among other things. The members of the Executive Committee are Douglas C. Manditch (Chair), John P. Bracken; Esq., Thomas M. Buonaiuto, John D. Caffrey, Jr., John L. Ciarelli, Esq., Larry R. Davis, Esq., Frank A. DiFazio, Charles C. Russo, Esq. and Joseph S. Tantillo, Jr. The Executive Committee did not meet during 2015.

***Board Loan Committee*** – The Board Loan Committee reviews the quality of, and the trends affecting the Bank's credit portfolio; oversees the effectiveness and administration of its credit-related policies; reviews the adequacy of its allowance for loan and lease losses; and reviews and approves credit-related activities that are for

amounts in excess of executive management's lending authority, when material exceptions to approved loan policy are proposed, or as may otherwise be required by law, regulation or policy.

As a part of its duties, the committee is also responsible for overseeing internal loan review, and engaging and reviewing the findings of, outsourced credit review consultants when, in the committee's opinion, it is appropriate. It is charged with the review and expedition of timely responses to all credit issues brought to its attention by way of regulatory examinations and by any outsourced or internal credit review resource.

The Board of Directors has not adopted a written charter for the Bank's Board Loan Committee. The members of the Board Loan Committee are Joseph S. Tantillo, Jr. (Chair), Thomas M. Buonaiuto, Larry R. Davis, Esq., Frank A. DiFazio, Salvatore Ferro, Douglas C. Manditch, Mukeshkumar Patel, Charles C. Russo, Esq., and Jeffrey M. Weiner. The Board Loan Committee held 24 meetings in 2015.

***Investment Committee*** - The Investment Committee seeks to develop the Bank's investment and asset/liability management policies, and reviews its procedures and achievement of its objectives related to these activities. It defines suitable and unsuitable investments and establishes parameters for proper management of the Bank's asset and liability mix, liquidity position, and interest rate risk. The members of the Investment Committee are John L. Ciarelli, Esq. (Chair), Francis F. Boulton, Thomas M. Buonaiuto, John D. Caffrey, Jr., Dr. Alan M. Coren, Robert D. Falese, Jr., Douglas C. Manditch, Mukeshkumar Patel and Paul Tonna. The Investment Committee held four meetings in 2015.

***Human Resources Committee*** - The Human Resources Committee is responsible for the development of personnel policies seeks to ensure that such policies are adequately communicated to all of the Bank's employees. It also develops compensation plans, including benefits packages, and works with management to develop and implement adequate performance appraisal systems. Additionally, it works closely with the Chief Executive Officer and President in the hiring of senior management employees. The Board of Directors has not adopted a written charter for the Human Resources Committee. The Human Resources Committee meets as frequently as needed. The members of the Human Resources Committee are John P. Bracken, Esq. (Chair), Thomas M. Buonaiuto, John D. Caffrey, Jr., John L. Ciarelli, Esq., Dr. Alan M. Coren, Douglas C. Manditch, Mukeshkumar Patel, Joseph S. Tantillo, Jr., Paul Tonna and Jeffrey M. Weiner. The Human Resources Committee did not meet during 2015.

## COMPENSATION INFORMATION

We do not separately compensate our executive officers, each of whom also serve as an executive officer of the Bank and is compensated in that capacity. The following table provides information regarding the compensation of the Bank's most highly compensated executive officers for the years ended December 31, 2015 and 2014.

**Summary compensation table**

| Name and Principal Position | Year | Salary | Bonus(1) | Stock Awards(2) | Non-Equity Incentive Plan Compensation(3) | All Other Compensation(4) | Total |
|---|---|---|---|---|---|---|---|
| Douglas C. Manditch | 2015 | $400,000 | N/A | $76,820 | $76,731 | $57,043 | $610,594 |
| Chairman and | 2014 | $375,000 | $50,000 | N/A | N/A | $49,718 | $474,718 |
| Chief Executive Officer | | | | | | | |
| Thomas M. Buonaiuto | 2015 | $325,000 | N/A | $62,376 | $62,344 | $45,185 | $494,905 |
| President and | 2014 | $300,000 | $40,000 | N/A | N/A | $37,544 | $377,544 |
| Chief Operating Officer | | | | | | | |

(1) Reflects discretionary cash bonuses earned during 2014.

(2) The amounts shown in this column reflect the grant date fair value of restricted stock awards earned during 2015 calculated in accordance with Financial Accounting Standards Board Accounting Standards Codification Topic 718. The restricted stock awards are subject to vesting ratably over a period of five years, beginning on the first anniversary of the grant date. Although earned with respect to 2015 performance, the restricted stock awards were granted on January 28, 2016.

(3) The amounts shown in this column reflect performance-related bonuses paid in cash and earned in 2015 under the Empire Bancorp, Inc. 2015 Omnibus Stock and Incentive Plan.

(4) As other compensation, Mr. Manditch had use of a company automobile in the amount of $4,977 and $4,977, life insurance premiums of $22,591 and $22,591, director fees of $18,875 and $11,750, and employer 401(k) contributions of $10,600 and $10,400 in 2015 and 2014 respectively. As other compensation, Mr. Buonaiuto had use of a company automobile in the amount of $7,496 and $6,555, life insurance premiums of $8,589 and $8,589, director fees of $18,500 and $12,000, and employer 401(k) contributions of $10,600 and $10,400 in 2015 and 2014 respectively.

**Employment agreements**

The Bank has entered into employment agreements with its Chief Executive Officer and its President and Chief Operating Officer. The Bank does not currently expect to enter into employment agreements with any other executive officers or employees, although the Bank has entered into agreements with certain of its other executive officers that provide for certain payments in connection with a "change in control" event. The following paragraphs describe the material terms of the agreements with the Bank's Chief Executive Officer and its President and Chief Operating Officer. These arrangements were reviewed and unanimously approved by the members of Compensation Committee and the Board of Directors. In evaluating the compensation arrangements, the Board of Directors utilized independent resources and considered the compensation strategy of competing financial institutions and the market for qualified management, before determining that the arrangements were appropriate and consistent with a reasonable compensation strategy.

The employment agreements with Mr. Manditch, as Chief Executive Officer, and Mr. Buonaiuto, as President and Chief Operating Officer, are substantially the same, except as otherwise noted below. The initial term of each agreement extends through February 25, 2018, and will renew automatically for successive three-year terms unless the Bank or the executive elects to terminate his agreement by sending notice to the other party not less than 90 days before the end of the then-current term.

Under the terms of the respective agreements, Mr. Manditch is entitled to a base salary of not less than $375,000 per year, and Mr. Buonaiuto is entitled to a base salary of not less than $300,000 per year. Each executive's compensation, including base salary, is subject to annual review by the Board of Directors and may be increased as a result of the review and to provide reasonable cost of living adjustments, consistent with safe and

sound banking practices. Each executive is eligible to participate in any executive incentive bonus plan and all other benefit programs that the Bank has adopted and to receive other customary benefits, such as health, dental and life insurance and membership fees to banking and professional organizations. The Bank will provide each executive with an automobile for his use during the term of his employment. Moreover, it will reimburse each executive for all premiums paid by the executive during the term of his employment agreement with respect to term life insurance policies approved by the Bank and issued for the benefit of the executive having a death benefit of no more than $2,000,000 in the aggregate.

In the event of a "change in control," as defined in the respective employment agreements, whether occurring during the term of the agreement or in certain circumstances after the termination of the agreement, the executive would be entitled to receive a cash lump-sum payment equal to 299% of his "base amount," as defined in Section 280G of the Internal Revenue Code, or the Code. Other than as a result of a "change in control," if the executive's employment is terminated for any reason other than for cause, the executive would be entitled to a severance payment equal to one year's base salary. Notwithstanding the foregoing, the executive's right to receive any of these payments is limited to the extent that any such payment would violate any law, regulation or order applicable to the Bank, including 12 C.F.R. Part 359.

Each agreement also includes a one year non-competition and non-solicitation provision that would apply following the termination of the executive's employment, regardless of the reason for termination. The Bank would be required to compensate the executive at his then-current base salary and employee benefits over the term of the provision, if it elects to enforce this provision.

**Outstanding equity awards at fiscal year-end**

The following table sets forth information regarding outstanding option awards held by the executive officers included in the summary compensation table on page 16 at December 31, 2015, including the number of shares underlying both exercisable and unexercisable portions of each stock option as well as the exercise price and the expiration date of each outstanding option. The stock option awards were issued under a stock option plan previously approved by the Bank's shareholders. Each of the stock options set forth below vests ratably over a period of five years from the date of grant, beginning on the first anniversary of the grant date.

| | | Option awards | | | |
|---|---|---|---|---|---|
| Name | Grant Date | Number of securities underlying unexercised option (#) exercisable | Number of securities underlying unexercised option (#) unexercisable | Option exercise price($) | Option expiration date |
| Douglas C. Manditch | 2/25/08 | 185,000 | - | $10.00 | 2/25/18 |
| Thomas M. Buonaiuto | 2/25/08 | 111,000 | - | $10.00 | 2/25/18 |

**Director compensation**

Directors of the Bank receive an annual retainer of $9,000 and director fees based upon meeting attendance as follows: $750 per Board meeting attended in person, $375 per Board meeting attended by telephone, $400 per committee meeting attended in person, and $200 per committee meeting attended by telephone. Only outside directors (non-employees) are compensated for committee meetings.

## ITEM TWO -
## RATIFICATION OF INDEPENDENT AUDITORS

Shareholders will also vote at the annual meeting on a proposal to ratify the appointment of Crowe Horwath LLP as our independent auditors for the year ending December 31, 2016. Crowe Horwath has examined the financial statements of Empire Bancorp and Empire National Bank since their respective inceptions. Although we are not required to seek shareholder ratification of this appointment, our Board of Directors believes that it is sound corporate governance to so do. If our shareholders fail to ratify the appointment of Crowe Horwath, the Audit Committee will consider the shareholders' action in determining whether to appoint Crowe Horwath as our independent auditors in 2016. Representatives of Crowe Horwath will be present at the annual meeting to answer appropriate questions and to make a statement if they desire.

The proposal to ratify Crowe Horwath as our independent auditors for 2016 will be approved if the votes cast for the proposal exceed the votes cast against the proposal. If you return a proxy, but fail to indicate your vote with respect to this proposal, the persons named in the enclosed proxy will vote "FOR" the proposal.

**The Board of Directors recommends that shareholders vote "*FOR*" the proposal to ratify Crowe Horwath as our independent auditors for the year ending December 31, 2016.**

### Crowe Horwath fees

We incurred $98,600 of fees related to audit services and $3,900 of fees related to tax services provided to us by Crowe Horwath during 2015. We incurred $83,500 of fees related to audit services and $17,400 of fees related to tax services provided to us by Crowe Horwath during 2014. We incurred no "audit-related fees" or "all other fees" during 2015 and 2014.

For purposes of this proxy statement, (i) "audit fees" are fees for professional services rendered by the independent registered public accounting firm for the audit of our annual financial statements and review of financial statements included in any securities filings that we are required to make, or for services that are normally provided by the accountant in connection with statutory and regulatory filings or engagements for those fiscal years; (ii) "audit-related fees" are fees for assurance and related services by our principal accountant that are reasonably related to the performance of the audit or review of our financial statements and are not reported under "audit fees;" (iii) "tax fees" are fees for professional services rendered by our principal accountant for tax compliance, tax advice, and tax planning and (iv) "all other fees" are fees for products and services provided by our principal accountant, other than the services reported under "audit fees," "audit-related fees" and "tax fees."

The Audit Committee selects and oversees our independent auditors. In addition, it is required to pre-approve the audit and non-audit services performed by the independent auditors to ensure that they do not impair the auditors' independence. The Audit Committee may delegate pre-approval authority to a member of the Audit Committee, which is designed for time-sensitive engagements. However, all delegated decisions must be presented to the full Audit Committee at its next scheduled meeting.

### Report of the Audit Committee

The Audit Committee has reviewed and discussed the consolidated financial statements of Empire Bancorp, Inc. and its subsidiary to be set forth in our 2015 annual report, which accompanies this proxy statement, with senior management and Crowe Horwath, our independent public accountants.

We have discussed with Crowe Horwath the matters required to be discussed in accordance with Auditing Standard No. 114 (The Auditor's Communication With Those Charged With Governance).

It is not the duty of the Audit Committee to plan or conduct audits or to determine that our consolidated financial statements are complete and accurate and in accordance with generally accepted accounting principles. In giving its recommendation to the Board of Directors, the Audit Committee has relied on (i) management's

representation that such financial statements have been prepared with integrity and objectivity and in conformity with generally accepted accounting principles and (ii) the reports of our independent public accountants with respect to such financial statements.

Based on the review and discussions with management and Crowe Horwath referenced above, the Audit Committee recommends to our Board of Directors that we publish our consolidated financial statements for the year ended December 31, 2015 in our annual report to shareholders.

Submitted by the Audit Committee

| | |
|---|---|
| Jeffrey M. Weiner, CPA, Chairman | Dr. Alan M. Coren |
| Francis F. Boulton | Salvatore Ferro |
| John P. Bracken, Esq. | Mukeshkumar Patel |
| John D. Caffrey, Jr. | Charles C. Russo, Esq. |
| John L. Ciarelli, Esq. | Paul J. Tonna |

Dated: March 24, 2016

## SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

The following table shows the beneficial ownership of our voting common stock at March 31, 2016, by shareholders owning 5% or more of our issued and outstanding stock, our directors and director nominees, and certain executive officers.

| Name of Beneficial Owner | Number of Shares | Percent of Class |
|---|---|---|
| **Greater than 5% shareholders** | | |
| Patriot Financial Partners, L.P. (1) | 570,302 | 9.86% |
| **Directors and Executive Officers** | | |
| Francis F. Boulton (2) | 36,630 | * |
| John P. Bracken, Esq.(2)(3) | 37,630 | * |
| Thomas M. Buonaiuto(4)(5) | 166,580 | 2.83% |
| John D. Caffrey, Jr.(2)(6) | 29,130 | * |
| John L. Ciarelli, Esq.(2)(7) | 24,130 | * |
| Dr. Alan M. Coren(2) | 39,130 | * |
| Larry R. Davis, Esq.(2) | 21,630 | * |
| Frank A. DiFazio(2) | 79,130 | 1.37% |
| Robert D. Falese, Jr. (11) | 1,000 | * |
| Salvatore Ferro(2) | 42,030 | * |
| Douglas C. Manditch(2)(9) | 275,150 | 4.60% |
| Mukeshkumar Patel(2) | 26,630 | * |
| John Pinna(8) | 47,690 | * |
| Charles C. Russo, Esq.(2) | 21,630 | * |
| Joseph S. Tantillo, Jr. (2) | 41,630 | * |
| Paul J. Tonna(2) | 31,630 | * |
| Janet T. Verneuille(10) | 14,900 | * |
| Jeffrey M. Weiner(2) | 80,380 | 1.39% |
| All directors and executive officers, as a group (18 persons) | 1,016,660 | 16.22% |

Notes to beneficial ownership table

* Represents less than 1% of the issued and outstanding shares of our common stock.

(1) Does not include 931,250 shares of nonvoting common stock, which are convertible into shares of voting stock, subject to certain exceptions, including that the conversion will not cause the holder to own or control in the aggregate more than 9.9% of our voting common stock, or warrants to purchase 150,000 shares of common stock, as applicable.

(2) Includes 10,000 organizer warrants.

(3) Includes 7,500 shares owned of record by Mr. Bracken's spouse.

(4) Includes 111,000 vested stock options.

(5) Includes 850 shares owned of record by Mr. Buonaiuto's spouse.

(6) Includes 7,500 shares owned of record by Mr. Caffrey's spouse.

(7) Includes 2,500 shares owned of record by Mr. Ciarelli's spouse.

(8) Includes 41,000 vested stock options.

(9) Includes 185,000 vested stock options, 16,000 shares held in trust by Mr. Manditch for the benefit of his grandchildren.

(10) Includes 6,000 vested stock options.

(11) Does not include any shares or warrants held of record or beneficially by Patriot Financial Partners, L.P., of which Mr. Falese disclaims beneficial ownership.

The number of shares indicated as beneficially owned in the table above, and the percentage ownership information, is based on "beneficial ownership" concepts as defined by the federal securities laws. In general, beneficial ownership includes shares owned by spouses, minor children and other relatives residing in the same household, trusts, partnerships, corporations or deferred compensation plans which are affiliated with the principal. In addition, this table reflects stock warrants issued to the organizers of Empire National Bank, which are all currently exercisable. The table also reflects vested stock options (and options that vest within the next 60 days) that

have been granted to a particular executive officer. The table above calculates the applicable percentage ownership based on 5,784,452 shares of voting common stock outstanding as of March 31, 2016, plus the stock warrants and stock options (currently vested or to vest within 60 days) beneficially held by the person or group, as applicable. The address for each principal shareholder listed above is the physical address of our principal office: c/o Empire Bancorp, Inc., 1707 Veterans Highway, Islandia, New York 11749. Except as indicated by the footnotes below, we believe, based on the information furnished to us, that the persons named in the tables below have sole voting and investment power with respect to all shares of voting common stock that they beneficially own, subject to applicable community property laws.

## SHAREHOLDER PROPOSALS AND NOMINATIONS

Under our bylaws, a shareholder who wishes to nominate an individual for election to our Board of Directors directly or to propose any business to be considered at an annual meeting must deliver advance written notice of that nomination or business to us following certain procedures contained in our bylaws. To be timely with respect to the 2017 annual meeting, the notice must be received by our Corporate Secretary at our principal executive offices not less than 90 nor more than 120 days before the first anniversary of the date of the 2016 annual meeting, unless our 2017 annual meeting is held on a date that is not within 30 days before or after the first anniversary of the date of the 2016 annual meeting. In that case, to be timely, notice must be delivered not later than the close of business on the tenth day following the date on which notice of the date of the 2017 annual meeting was mailed or public disclosure of the date of the 2017 annual meeting was made, whichever occurs first.

To be in proper form, a shareholder's notice must include all of the information about the proposal or nominee required by our bylaws. You can obtain a copy of our bylaws upon written request to our Corporate Secretary at our principal executive offices. The chairman of the annual meeting may refuse to acknowledge any director nomination or the proposal of any business not made in compliance with the procedures contained in our bylaws.

## COST OF ANNUAL MEETING AND PROXY SOLICITATION

We will bear all costs associated with the 2016 annual meeting, including the cost of soliciting proxies. In addition to soliciting proxies by mail, we may solicit proxies by personal interview, telephone, email or other electronic means. No director, officer or employee will be paid any additional compensation for any solicitation activities, although we will reimburse to them any out-of-pocket expenses. We will reimburse brokerage firms and other custodians, nominees and fiduciaries for their reasonable out-of-pocket expenses for sending proxy materials to shareholders.