

FLUSHING FINANCIAL CORP
Form PRE 14A
March 25, 2009
UNITED STATES

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a)
of the Securities Exchange Act of 1934
(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 by Rule 14a-6(e)(2))
- Definitive Proxy Statement
- Definitive Additional Materials
- Soliciting Material Pursuant to §240.14a-12

Flushing Financial 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.
- Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

(1) Title of each class of securities to which transaction applies:

(2) Aggregate number of securities to which transaction applies:

(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11
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(4) Proposed maximum aggregate value of transaction:

(5) Total fee paid:

.. Fee paid previously with preliminary materials.

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(1) Amount Previously Paid:

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

(3) Filing Party:

(4) Date Filed:

FLUSHING FINANCIAL CORPORATION
1979 Marcus Avenue, Suite E140
Lake Success, New York 11042
(718) 961-5400

April 9, 2009

Dear Stockholder:

You are cordially invited to attend the annual meeting of stockholders of Flushing Financial Corporation. The annual meeting will be held at the LaGuardia Marriott located at 102-05 Ditmars Boulevard, East Elmhurst, New York 11369, on May 19, 2009 at 2:00 p.m., New York time. The matters to be considered by stockholders at the annual meeting are described in the accompanying materials.

It is very important that you be represented at the annual meeting regardless of the number of shares you own. Whether or not you plan to attend the meeting in person, we urge you to vote as soon as possible. You may vote by marking, signing and dating your proxy card and returning it in the envelope provided. Alternatively, you may vote over the Internet or by telephone. Voting over the Internet, by telephone or by written proxy will not prevent you from voting in person, but will ensure that your vote is counted if you are unable to attend. Please review the instructions on the proxy card regarding each of these voting options.

Your continued support of and interest in Flushing Financial Corporation are sincerely appreciated.

Sincerely,

Gerard P. Tully, Sr.
Chairman of the Board

John R. Buran
President and Chief Executive Officer

FLUSHING FINANCIAL CORPORATION
1979 Marcus Avenue, Suite E140
Lake Success, New York 11042
(718) 961-5400

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS

DATE & TIME: May 19, 2009 at 2:00 p.m. New York time

PLACE: LaGuardia Marriott
102-05 Ditmars Boulevard
East Elmhurst, New York 11369

ITEMS OF BUSINESS (1) To elect four directors for a three-year term and until their successors are elected and qualified;
(2) To provide advisory approval of Flushing Financial Corporation's executive compensation programs;
(3) To ratify the appointment of Grant Thornton LLP by the Audit Committee of the Board of Directors as the Company's independent registered public accounting firm for the fiscal year ending December 31, 2009; and
(4) To transact such other business as may properly come before the meeting or any adjournment thereof.

RECORD DATE: You are entitled to vote at the annual meeting or any adjournment of that meeting only if you were a stockholder at the close of business on Wednesday, March 25, 2009.

VOTING BY PROXY: Please submit a proxy as soon as possible so that your shares can be voted at the meeting in accordance with your instructions. You may submit your proxy (1) over the Internet, (2) by telephone, or (3) by mail. For specific instructions, please refer to the information in the proxy statement and the instructions on the proxy card.

BY ORDER OF THE BOARD OF
DIRECTORS,

Maria A. Grasso
Corporate Secretary

Lake Success, New York
April 9, 2009

FLUSHING FINANCIAL CORPORATION
1979 Marcus Avenue, Suite E140
Lake Success, New York 11042
(718) 961-5400

PROXY STATEMENT
Annual Meeting of Stockholders
To be held on May 19, 2009

TABLE OF CONTENTS

| | Page |
|--|------|
| <u>INTRODUCTION</u> | 3 |
| <u>VOTING AND PROXIES</u> | 3 |
| <u>Voting Rights and Quorum Requirement</u> | 3 |
| <u>Voting over the Internet or by Telephone</u> | 3 |
| <u>Effect of Proxy</u> | 3 |
| <u>Revoking a Proxy</u> | 4 |
| <u>Votes Required for Approval</u> | 4 |
| <u>Cost of Solicitation of Proxies</u> | 4 |
| <u>Important Notice Regarding the Availability of Proxy Materials for the Stockholder Meeting to be Held on May 19, 2009</u> | 4 |
| <u>PROPOSAL NO. 1 — ELECTION OF DIRECTORS</u> | 5 |
| <u>Information About Directors</u> | 5 |
| <u>Board Nominees</u> | 6 |
| <u>Continuing Directors</u> | 6 |
| <u>Executive Officers Who Are Not Directors</u> | 8 |
| <u>CORPORATE GOVERNANCE</u> | 10 |
| <u>Independence of Directors</u> | 10 |
| <u>Meetings and Committees of the Board of Directors</u> | 10 |
| <u>Director Nominations</u> | 11 |
| <u>Transactions with Related Persons, Promoters and Certain Control Persons</u> | 11 |
| <u>Stockholder Communications with the Board of Directors</u> | 13 |
| <u>Code of Business Conduct and Ethics</u> | 13 |
| <u>Compensation Committee Interlocks and Insider Participation</u> | 13 |
| <u>EXECUTIVE COMPENSATION</u> | 15 |
| <u>Compensation Discussion and Analysis</u> | 15 |
| <u>Compensation Committee Report</u> | 24 |
| <u>PROPOSAL NO. 2 — ADVISORY APPROVAL OF FLUSHING FINANCIAL CORPORATION'S EXECUTIVE COMPENSATION PROGRAMS</u> | 25 |
| <u>Summary Compensation Table</u> | 26 |

| | |
|---|----|
| <u>Grants of Plan Based Awards in 2008</u> | 28 |
| <u>Outstanding Equity Awards at 2008 Fiscal Year-End</u> | 29 |
| <u>Option Exercises and Stock Vested in 2008</u> | 30 |
| <u>Pension Benefits</u> | 30 |
| <u>Nonqualified Deferred Compensation</u> | 32 |
| <u>Potential Payments upon Termination or Change of Control</u> | 34 |

| | |
|---|-----|
| <u>DIRECTOR COMPENSATION</u> | 39 |
| <u>Cash Compensation Paid to Members of the Board of Directors</u> | 39 |
| <u>2005 Omnibus Incentive Plan</u> | 39 |
| <u>Director Retirement Plan</u> | 40 |
| <u>Deferred Compensation Program for Non-Employee Directors</u> | 40 |
| <u>Indemnity Agreements</u> | 40 |
| <u>Director Summary Compensation Table</u> | 41 |
| | |
| <u>AUDIT COMMITTEE MATTERS</u> | 42 |
| <u>Report of the Audit Committee</u> | 42 |
| <u>Audit Committee Financial Expert</u> | 42 |
| <u>Fees Paid to Independent Registered Public Accounting Firm</u> | 42 |
| | |
| <u>PROPOSAL NO. 3 — RATIFICATION OF THE APPOINTMENT OF GRANT THORNTON LLP AS THE COMPANY’S INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM FOR THE FISCAL YEAR ENDING DECEMBER 31, 2009</u> | 44 |
| | |
| <u>STOCK OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT</u> | 45 |
| <u>Stock Ownership of Certain Beneficial Owners</u> | 45 |
| <u>Stock Ownership of Management</u> | 46 |
| <u>Section 16(a) Beneficial Ownership Reporting Compliance</u> | 47 |
| | |
| <u>OTHER MATTERS THAT MAY PROPERLY COME BEFORE THE ANNUAL MEETING</u> | 47 |
| | |
| <u>STOCKHOLDER PROPOSALS FOR 2010 ANNUAL MEETING</u> | 48 |
| | |
| <u>MISCELLANEOUS</u> | 49 |
| | |
| <u>APPENDIX A</u> | A-1 |

INTRODUCTION

This proxy statement is furnished to holders of common stock, \$0.01 par value per share, of Flushing Financial Corporation (the "Company"), which is the sole stockholder of Flushing Savings Bank, FSB (the "Bank"). Proxies are being solicited on behalf of the Board of Directors of the Company (the "Board of Directors") to be used at the annual meeting of stockholders to be held at the LaGuardia Marriott located at 102-05 Ditmars Boulevard, East Elmhurst, New York, 11369 at 2:00 p.m., New York time, on May 19, 2009 and at any adjournment thereof. Only holders of record of the Company's issued and outstanding common stock as of the close of business on the record date, March 25, 2009, are entitled to notice of and to vote at the annual meeting and any adjournments thereof. This proxy statement, the accompanying notice of annual meeting of stockholders, the form of proxy, and the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2008 are first being mailed on or about April 9, 2009 to all persons entitled to vote at the annual meeting.

VOTING AND PROXIES

Voting Rights and Quorum Requirement

Stockholders of record as of the close of business on March 25, 2009, the record date, are entitled to one vote for each share of common stock then held. On the record date, there were [21,715,809] shares of common stock outstanding and entitled to be voted and the Company had no other class of equity securities outstanding. Holders of a majority of the outstanding shares of common stock must be present at the annual meeting, either in person or represented by proxy, to constitute a quorum for the conduct of business. In order to ensure a quorum, you are requested to vote by proxy even if you plan to attend the annual meeting in person. You can vote by completing the enclosed proxy card and returning it signed and dated in the enclosed postage-paid envelope. You can also vote over the Internet or by telephone, as described below.

Voting over the Internet or by Telephone

If your shares are registered in your name with our transfer agent, you may vote either over the Internet or by telephone. Specific instructions for voting over the Internet or by telephone are set forth on the enclosed proxy card. These procedures are designed to authenticate each stockholder's identity and to allow stockholders to vote their shares and confirm that their instructions have been properly recorded.

If your shares are registered in the name of a bank or brokerage firm, you may also be able to vote your shares over the Internet or by telephone. A large number of banks and brokerage firms are participating in online programs that allow eligible stockholders to vote over the Internet or by telephone. If your bank or brokerage firm is participating in such a program, your voting form will provide instructions. If your voting form does not contain Internet or telephone voting information, please complete and return the paper proxy card in the self-addressed, postage-paid envelope provided by your bank or brokerage firm.

Effect of Proxy

The proxy solicited by this proxy statement, if properly signed and received by the Company in time for the annual meeting, or properly transmitted by telephone or the Internet, and not revoked prior to its use, will be voted in accordance with the instructions it contains. If you return or transmit a proxy without specifying your voting instructions, the proxy will be voted FOR election of the nominees for director described herein, FOR advisory approval of Flushing Financial Corporation's executive compensation programs, and FOR ratification of the selection of Grant Thornton LLP as the Company's independent registered public accounting firm for the fiscal year ending

December 31, 2009. With respect to the transaction of such other business as may properly come before the meeting, each proxy received will be voted in accordance with the best judgment of the persons appointed as proxies. At this time, the Board of Directors knows of no such other business.

Revoking a Proxy

If you give a proxy, you may revoke it at any time before it is voted by (1) filing written notice of revocation with the Corporate Secretary of the Company (Corporate Secretary, Flushing Financial Corporation, 1979 Marcus Avenue, Suite E140, Lake Success, New York 11042); (2) submitting a duly executed proxy bearing a later date; or (3) appearing at the annual meeting and giving the Corporate Secretary notice of your intention to vote in person.

Votes Required for Approval

Directors are elected by a plurality of the votes cast with a quorum present. This means that nominees receiving the highest number of “FOR” votes will be elected as directors. Consequently, shares that are not voted, either because you marked your proxy card to withhold authority for all or some of the nominees or you did not complete and return your proxy card, will have no impact on the election of directors. The advisory approval of Flushing Financial Corporation’s executive compensation programs and the ratification of the appointment of Grant Thornton LLP as the Company’s independent registered public accounting firm requires the affirmative vote of a majority of the total votes cast on the proposal (whether in person or by proxy) by holders entitled to vote on the proposal, assuming a quorum is present at the meeting. Abstentions are considered present for purposes of determining the presence of a quorum and will not affect the plurality vote required for the election of directors, but will have the effect of a vote against the other proposals. Broker non-votes are considered present for purposes of determining the presence of a quorum, but not entitled to vote, so they will have no effect on the outcome of any proposal. A “broker non-vote” occurs when you fail to provide your bank or broker with voting instructions and the bank or broker does not have the discretionary authority to vote your shares on a particular proposal under the New York Stock Exchange rules. Banks and brokers have discretionary authority to vote shares held in “street name” with respect to the election of directors, advisory approval of Flushing Financial Corporation’s executive compensation programs, and ratification of the independent registered public accounting firm.

Cost of Solicitation of Proxies

The cost of solicitation of proxies will be borne by the Company. In addition to the solicitation of proxies by mail, Morrow & Co., Inc., a proxy soliciting firm, will assist the Company in soliciting proxies for the annual meeting and will be paid a fee of \$5,000, plus reimbursement for out-of-pocket expenses. Proxies also may be solicited personally or by telephone or telecopy by directors, officers and employees of the Company or the Bank, without additional compensation to these individuals. The Company will also request persons, firms and corporations holding shares in their names, or in the name of their nominees, which are beneficially owned by others, to send proxy materials to and obtain proxies from such beneficial owners, and will reimburse such holders for reasonable expenses incurred in connection therewith.

Important Notice Regarding the Availability of Proxy Materials for the Stockholder Meeting to be Held on May 19, 2009

The Company’s proxy statement and annual report to stockholders for the year ended December 31, 2008 are available at <http://materials.proxyvote.com/343873>.

PROPOSAL NO. 1

ELECTION OF DIRECTORS

The Board of Directors of the Company currently consists of 12 directors divided into three classes, each comprised of four directors. The directors hold office for staggered terms of three years (and until their successors are elected and qualified). One of the three classes is elected each year to succeed the directors whose terms are expiring. The directors in Classes C and A are serving terms expiring at the annual meeting of stockholders in 2010 and 2011, respectively.

The directors in Class B, whose terms expire at the 2009 annual meeting, are Steven J. D'Iorio, Louis C. Grassi, Sam Han, and John E. Roe, Sr. Each of these directors has been nominated by the Board of Directors, upon the recommendation of its Nominating and Governance Committee, to stand for election for a term expiring at the annual meeting of stockholders to be held in 2012. Each of these nominees has consented to being named in this proxy statement as a Board nominee and to serve if elected.

Unless otherwise instructed, it is the intention of the proxy holders to vote the proxies received by them in response to this solicitation FOR the election of the nominees named above as directors. If any such nominee should refuse or be unable to serve, the proxies will be voted for such person as shall be designated by the Board of Directors to replace such nominee. The Board of Directors has no reason to believe that any of the Board nominees will refuse or be unable to serve as a director if elected.

THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS A VOTE

"FOR" ELECTION OF THE ABOVE NOMINEES AS DIRECTORS.

Information About Directors

The following table sets forth certain information regarding the Board nominees and members of the Board of Directors of the Company whose terms will continue after the annual meeting. Franklin F. Regan, Jr. retired from the Board of Directors on July 1, 2008.

| Name | Age(1) | Position(s) with the Company | Director Since(2) | Term Expires |
|----------------------|--------|---|-------------------|--------------|
| Gerard P. Tully, Sr. | 81 | Chairman of the Board | 1967 | 2010 |
| John R. Buran | 59 | President, Chief Executive Officer and Director | 2003 | 2010 |
| James D. Bennett | 70 | Director | 1998 | 2010 |
| Steven J. D'Iorio | 59 | Director | 2004 | 2009(3) |
| Louis C. Grassi | 53 | Director | 1998 | 2009(3) |
| Sam Han | 55 | Director | 2007 | 2009(3) |
| Michael J. Hegarty | 69 | Director | 1987 | 2011 |
| John J. McCabe | 65 | Director | 2003 | 2011 |
| Vincent F. Nicolosi | 69 | Director | 1977 | |