

RUMSON-FAIR HAVEN BANK & TRUST COMPANY
20 Bingham Avenue
Rumson, New Jersey 07760

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS

To Be Held Wednesday, April 28, 2010

To Our Stockholders:

The Annual Meeting of Stockholders (the "Annual Meeting") of Rumson-Fair Haven Bank & Trust Company (the "Bank") will be held at the Salt Creek Grille, located at 4 Bingham Avenue, Rumson, New Jersey, on Wednesday, April 28, 2010 at 6:00 p.m. to consider and act upon the following matters:

1. The election of the ten (10) nominees named in the accompanying proxy statement to serve as directors of the Bank until the next annual meeting of stockholders and thereafter until their successors are duly elected and qualify;
2. A proposal to authorize the amendment of the Bank's certificate of incorporation, as amended, to reduce the par value of shares of the Bank's capital stock to \$2.00 per share from the current \$5.00 per share; and
3. Such other business as shall properly come before the Annual Meeting and any postponement or adjournment thereof.

Stockholders of record at the close of business on February 26, 2010 are entitled to receive notice of and to vote at the Annual Meeting or any postponement or adjournment thereof. Whether or not you contemplate attending the Annual Meeting, please execute the enclosed form of proxy and return it to the Bank in the accompanying postage-prepaid envelope. You may revoke your proxy at any time prior to its exercise by delivering a later-dated proxy or a written notice of revocation to the Bank prior to or at the Annual Meeting.

By Order of the Board of Directors

William J. Barrett, *Chairman of the Board*

March 15, 2010

**YOUR VOTE IS IMPORTANT. PLEASE SIGN AND RETURN THE ENCLOSED PROXY
IN THE ENVELOPE PROVIDED.**

RUMSON-FAIR HAVEN BANK & TRUST COMPANY
20 Bingham Avenue
Rumson, New Jersey 07760

PROXY STATEMENT
Dated March 15, 2010

GENERAL PROXY STATEMENT INFORMATION

This proxy statement and the accompanying form of proxy are being furnished in connection with the solicitation by the Board of Directors (the "Board" or "Board of Directors") of Rumson-Fair Haven Bank & Trust Company (the "Bank") of proxies for use at the Annual Meeting of Stockholders of the Bank (the "Annual Meeting"), to be held at the Salt Creek Grille, located at 4 Bingham Avenue, Rumson, New Jersey, on Wednesday, April 28, 2010 at 6:00 p.m. The business expected to be voted upon at the Annual Meeting is the election of the ten (10) nominees named in this proxy statement to serve as directors for the term specified herein, the proposal to authorize the amendment of the Bank's Certificate of Incorporation, as amended (the "Certificate of Incorporation") to reduce the par value of shares of the Bank's capital stock to \$2.00 per share from the current \$5.00 per share, and such other business as shall properly come before the Annual Meeting or any postponement or adjournment thereof.

Outstanding Securities and Voting Rights

The record date for determining stockholders entitled to notice of and to vote at the Annual Meeting is February 26, 2010 (the "Record Date"). Only stockholders of record as of the Record Date will be entitled to receive notice of, and to vote at, the Annual Meeting. On the Record Date, 2,561,461 shares of the Bank's capital stock, par value \$5.00 per share ("Capital Stock"), were outstanding and are eligible to be voted at the Annual Meeting. Each share is entitled to one vote. The presence at the Annual Meeting in person or by proxy of the holders of shares entitled to cast a majority of the votes of all shares of Capital Stock issued and outstanding as of the Record Date will constitute a quorum.

All shares represented by a valid proxy received pursuant to this solicitation will be voted **"FOR"** the ten (10) nominees for director named in this proxy statement and **"FOR"** the approval of the proposal to amend the Certificate of Incorporation to reduce the par value of each share of Capital Stock to \$2.00 per share from the current \$5.00 per share, unless the stockholder specifies a different choice by means of his, her or its proxy or revokes the proxy prior to the time of the vote. Should any other matters properly come before the Annual Meeting or any postponement or adjournment thereof, the persons named as proxies will vote upon such matters according to their discretion unless a stockholder otherwise specifies in his, her or its proxy.

At the Annual Meeting, a judge of election will tabulate ballots cast by stockholders present and voting in person, and votes cast by proxy. Under applicable state law and the Bank's Certificate of Incorporation and By-laws, abstentions and broker non-votes are counted only for purposes of establishing a quorum (except as discussed under Proposal 2). At the Annual Meeting, a plurality of the shares voted, in person or by proxy, is required to elect a nominee for director; and the vote of the holders of at least two-thirds of the Capital Stock entitled to vote,

voting in person or by proxy, is required to authorize the amendment of the Certificate of Incorporation.

This proxy statement and the enclosed form of proxy are being mailed to stockholders on or about March 15, 2010.

Revocability of Proxies

Any stockholder of record submitting a proxy has the right to attend and to vote at the Annual Meeting in person. If the stockholder submits a proxy prior to the Annual Meeting, the proxy may be revoked prior to the Annual Meeting by delivering a later-dated proxy or written revocation to the Secretary of the Bank, Dennis J. Flanagan, at 20 Bingham Avenue, Rumson, New Jersey 07760. A proxy may be revoked at the Annual Meeting by filing a later-dated proxy or written revocation with the Secretary of the Annual Meeting prior to the vote of such proxy. Presence at the Annual Meeting does not, in and of itself, revoke a proxy.

STOCK OWNERSHIP of DIRECTORS, EXECUTIVE OFFICERS and CERTAIN BENEFICIAL OWNERS

The following table sets forth, as of December 31, 2009, information with respect to the beneficial ownership of the Bank's outstanding Capital Stock held by: (i) each director and nominee for director; (ii) each executive officer; (iii) all directors, nominees for director and executive officers of the Bank as a group; and (iv) each person who is known by the Company to own beneficially more than five percent (5%) of the issued and outstanding Capital Stock.

RUMSON-FAIR HAVEN BANK & TRUST COMPANY Beneficial Ownership Summary

<u>Beneficial Owner</u>	<u>Director Since</u>	<u>Capital Stock (1)</u>	<u>Options and Warrants (2)</u>	<u>Total</u>	<u>Percentage Ownership</u>
William J. Barrett (3)	2000	277,189	69,833	347,022	13.19%
Joseph Castelluci, Esq. (4)	2006	3,962	3,973	7,935	.31%
Judith Stanley Coleman	2000	114,068	49,438	163,506	6.26%
Jason M. Elsas, Jr.	2000	77,258	28,480	105,738	4.08%
Herbert M. Gardner (5)	2000	35,159	22,505	57,664	2.23%
Ronald Shiftan (6)	2000	24,556	18,357	43,093	1.67%
Stephen A. Tyler (7)	2000	56,816	52,113	108,929	4.17%
Thomas I. Unterberg	2001	120,594	30,560	151,154	5.83%
R. Van Whisnand	2000	22,546	22,854	45,400	1.76%
Robert E. Davis, Jr. (8)	2003	5,780	65,395	71,175	2.71%
Dennis J. Flanagan (9)	2003	16,722	54,088	70,810	2.71%
All Directors and Executive Officers (11 persons)		<u>757,873</u>	<u>429,755</u>	<u>1,187,628</u>	<u>39.70%</u>

Beneficial Owner of more than 5% of the Common Stock	N/A	Capital Stock (1)	Warrants (2)	Total	Percentage Ownership
KLCC Investments, LLC (10)		419,723	18,143	437,866	16.97%
Steven D. Hovde (11)		166,375	-	166,375	6.50%
Nancy B. Mulheren (12)		119,576	28,320	147,896	5.71%

(1) In accordance with Rule 13d-3 of the Securities Exchange Act of 1934, as amended, a person is deemed to be the beneficial owner, for purposes of this table, of any shares of Capital Stock if he or she has voting or investment power with respect to such security. This includes shares owned by spouses, other immediate family members in trust, shares held in retirement accounts or funds for the benefit of the named individuals, and other forms of ownership, over which shares the person named in the table may possess voting and/or investment power. Except as otherwise noted, all shares are owned of record or beneficially by the named person.

(2) Includes, for purposes of this table, the number of shares of Capital Stock subject to currently exercisable options and options exercisable within sixty (60) days of December 31, 2009, as well as currently exercisable warrants to purchase Capital Stock.

(3) Includes 14,893 shares and 3,500 warrants, respectively, held by Mr. Barrett's spouse, Sara Barrett, of which Mr. Barrett disclaims beneficial ownership, and 211,103 shares and 50,626 warrants, respectively, held by Mr. Barrett's qualified retirement plan and IRA-Roll account.

(4) Includes 1,100 shares held in Mr. Castelluci's IRA account.

(5) Includes 2,359 shares and 333 warrants, respectively, held by Mr. Gardner's spouse, Mary K. Gardner, of which Mr. Gardner disclaims beneficial ownership, and 27,749 shares and 4,666 warrants, respectively, held by Mr. Gardner's IRA-Roll.

(6) Mr. Shiftan has declined to stand for reelection at the 2010 Annual Meeting of Shareholders.

(7) Includes 2,680 shares owned by Mr. Tyler's spouse, Ingrid D. Tyler, of which Mr. Tyler disclaims beneficial ownership.

(8) Mr. Davis currently serves as President and Chief Executive Officer of the Bank.

(9) Mr. Flanagan currently serves as Executive Vice President and Chief Financial Officer of the Bank. Includes 665 shares held by Mr. Flanagan's IRA account.

(10) KLCC Investments, LLC maintains a mailing address at 1350 Broadway, Suite 1010, New York, New York 10018.

(11) Steven D. Hovde maintains a mailing address at c/o Hovde Financial, LLC, 1629 Colonial Parkway, Inverness, Illinois 60067.

(12) Nancy B. Mulheren maintains a mailing address at c/o Rumson Management Company, 95 Avenue of the Two Rivers, Rumson, New Jersey 07760.

PROPOSAL 1 - ELECTION OF DIRECTORS

The Bank's Certificate of Incorporation and By-laws authorize a minimum of five (5) and a maximum of twenty-five (25) directors, but leave the exact number to be fixed by resolution of the Board of Directors. The Board of Directors has fixed the size of the Board of Directors at ten (10) directors. The Bank's Board of Directors is presently comprised of ten (10) members.

The Board of Directors has nominated and recommends the election of each of the nominees listed below for a one-year term to expire at the 2011 Annual Meeting of Stockholders of the Bank. If, for any reason, any of the nominees becomes unavailable for election, the proxy solicited by the Bank may be voted for a substitute nominee selected by the Board of Directors. The Board of Directors has no reason to believe that any of the named nominees is not available to serve as a director or will not serve if elected. Pursuant to the banking laws of New Jersey and the Bank's By-laws, the directors of the Bank are elected by the stockholders at each annual meeting of stockholders. The elected directors hold office until the next annual meeting of stockholders, and thereafter, until their successors have been elected and qualify.

RUMSON-FAIR HAVEN BANK & TRUST COMPANY

Directors

<u>Name</u>	<u>Current Position</u>
William J. Barrett	Chairman
Robert E. Davis, Jr.	President, Chief Executive Officer and Director
Dennis J. Flanagan	Executive Vice President, Chief Financial Officer and Director
Joseph Castelluci, Esq.	Director
Judith Stanley Coleman	Director
Jason M. Elsas, Jr.	Director
Herbert M. Gardner	Director
Stephen A. Tyler	Director
Thomas I. Unterberg	Director
R. Van Whisnand	Director

Biographical Information:

William J. Barrett is President of W.J. Barrett Associates. He most recently served as President of Barrett-Gardner Associates, Inc., a private merchant banking firm. Prior thereto, he was a Senior Vice President with Janney Montgomery Scott LLC. Mr. Barrett is a Director of Supreme Industries, Inc., a specialized manufacturer of truck bodies, TGC Industries, Inc., a geophysical services company, Chase Packaging Corp., a development-stage company, MassMutual Corporate Investors and MassMutual Participation Investors, closed-end investment trusts. Mr. Barrett received his Bachelor of Arts degree from DePauw University and his MBA from New York University.

Robert E. Davis, Jr. has served as President and Chief Executive Officer and a director of the Bank since July 2003. He previously served as Senior Regional Vice President of Sun National Bank in the Commercial Lending Division for Monmouth and Ocean counties from February 1998 to July 2003. He began his banking career with Summit Bancorp in 1982 and has worked for various organizations in different capacities over the past 28 years. Mr. Davis currently serves on the Board of Directors of the New Jersey Bankers Association. He is immediate past president of the Community Bankers Association of New Jersey and has served as President of the United Way of Monmouth County and Monmouth-Ocean Development Counsel, as well as serving on numerous charitable boards. He is a graduate of the University of Virginia with a Bachelor of Arts degree in Economics. Mr. Davis also spent seven years in the National Football League.

Dennis J. Flanagan is Executive Vice President, Chief Financial Officer and a director of the Bank, having joined the Bank in April 2000. He began his banking career at Bankers Trust New York Corporation in 1974 and has worked for various banking organizations in various capacities over the past 36 years. Mr. Flanagan graduated in 1974 with a Bachelor of Science degree from Herbert H. Lehman College, obtained his MBA in 1981 from Bernard M. Baruch College and is a 1986 graduate of the Stonier Graduate School of Banking.

Joseph Castelluci, Esq. is a principal of Peluso, Castelluci & Weintraub, P.C., and manages the Commercial and Transactional Section of the firm's Business Planning Group. Mr. Castelluci is a member of the New Jersey, Pennsylvania and Washington, D.C. Bars, as well as the Monmouth County Bar Association, where he served on the Technology Committee. He presently serves on the Banking and Commercial Law Committee. He is a former member of the Commercial Law League of America, Commercial Division. He received his Juris Doctor from Villanova University School of Law and a Bachelor of Science in Accounting from Rider University.

Judith Stanley Coleman has long been active in state, county and local affairs. Currently, Mrs. Coleman is Chairman of the Visiting Nurse Association of Central New Jersey, founder and President of the Monmouth Conservation Foundation, Chairman of the Middletown Township Planning Board, President of the Monmouth County Historical Association and a Trustee of Monmouth Medical Center. Previously, Mrs. Coleman served as Chairman of the New Jersey Highway Authority and was a founder of the Garden State Arts Center Foundation. She is also a former member of the New Jersey State Council on the Arts as well as the Count Basie Theatre. In addition, she was the Republican National Committeewoman of New Jersey and served as a

delegate to the Republican National Convention from 1984 to 2004. She holds a Bachelor of Arts degree in History from Smith College.

Jason M. Elsas, Jr. was a Managing Director of Salomon Brothers Inc., where he worked for 28 years until his retirement in 1988. He is a Trustee of The Community YMCA Foundation in Red Bank, a Trustee of the CPC Behavioral Healthcare Foundation, and a member of the Advisory Board of the Parker Family Health Clinic. He graduated from Trinity College with a Bachelor of Arts degree.

Herbert M. Gardner was most recently Executive Vice President of Barrett-Gardner Associates, Inc., a private merchant banking firm and prior thereto, he was a Senior Vice President with Janney Montgomery Scott LLC. Mr. Gardner is Chairman of the Board of Supreme Industries, Inc., a specialized manufacturer of truck bodies and serves as a director of the following companies: Chase Packaging Corporation, a development-stage company, Nu-Horizons Electronics Corporation, an electronic components distributor, and TGC Industries, Inc., a geophysical services company. Mr. Gardner graduated from New York University with a Bachelor of Arts degree, and received his MBA from the Stern School of Business at New York University.

Stephen A. Tyler was President and Chief Executive Officer of Rumson-Fair Haven Bank & Trust Company from its opening in July 2000 until July 2003. Formerly, he was employed by J.P. Morgan & Co. from 1970 until his retirement in 1998. He served in various capacities at J.P. Morgan & Co., including Division and Managing Director in charge of U.S. Dollar Interest Rate Management. He is a member of the Advisory Board of Love, Inc., Trustee of the Community Foundation of New Jersey, and a Director and Treasurer of the Park City Foundation, Park City, Utah. Mr. Tyler received his Bachelor of Arts degree from Cornell University.

Thomas I. Unterberg serves as Chairman and the General Partner of Unterberg Capital LLC. He previously was a partner of C.E. Unterberg, Towbin. He has been in the investment banking business since 1956 and has been a director or trustee of a number of public and private companies and institutions. He is a graduate of Princeton University and received his MBA from the Wharton School of Business.

R. Van Whisnand is a Portfolio Manager at Wilkinson O'Grady & Co. Inc. Prior to joining Wilkinson O'Grady & Co. Inc., he was a Managing Partner of Osprey Partners Investment Management, LLC. Mr. Whisnand had been a principal in the investment management firm Fox Asset Management, was a founder and partner in the investment firm Combined Capital Management and began his career with Stone & Webster, Inc. Mr. Whisnand is a graduate of Brown University and received his MBA from the Darden School at the University of Virginia.

RECOMMENDATION ON PROPOSAL 1

THE MEMBERS OF THE BANK'S BOARD OF DIRECTORS UNANIMOUSLY RECOMMEND A VOTE "FOR" THE NOMINEES FOR DIRECTOR INCLUDED IN PROPOSAL 1.

**PROPOSAL 2 – APPROVAL OF THE AMENDMENT TO THE BANK’S
CERTIFICATE OF INCORPORATION TO CHANGE THE PAR
VALUE OF ITS CAPITAL STOCK**

The Bank’s Certificate of Incorporation currently provides that the par value of the Capital Stock is \$5.00 per share. Under New Jersey law, \$5.00 was the minimum par value per share for stock issued by banks until 1962, when the law was amended to allow New Jersey banks to issue capital stock with a minimum par value of \$2.00. The Board of Directors has authorized an amendment to the Certificate of Incorporation to reduce the par value of the Bank’s stock to \$2.00, and recommends that the Bank’s stockholders approve the amendment, so that the par value of the Capital Stock will comport with the minimum level permitted by New Jersey law.

A reduction in the par value of capital stock does not reduce a bank’s overall capital, but instead transfers the amount representing the change in par value from one permanent capital account to another. Thus, assuming no other changes in a bank’s overall capital structure take place in connection with a par value reduction, reducing the par value of a bank’s capital stock will result in an increase in the bank’s capital surplus. Among other things, the ratio of a bank’s surplus to capital determines whether a bank is permitted under New Jersey law to pay dividends.

Approval of Proposal 2 requires the affirmative vote, either in person or by proxy, of the holders of at least two-thirds of the Bank’s outstanding capital stock entitled to vote on the proposal. Abstentions and broker “non-votes” will have the same effect as voting “AGAINST” the adoption of Proposal 2 because the required vote is based on the number of shares outstanding rather than the number of votes cast.

If this Proposal 2 is approved, Article Fourth of the Bank’s Certificate of Incorporation would be amended to read as follows:

“Fourth: The amount of authorized capital stock of the bank shall be \$20,000,000, divided into 10,000,000 shares of the par value of \$2.00. The amount of issued capital stock of the bank shall be \$5,122,922 divided into 2,561,461 shares of the par value of \$2.00. Authorized but unissued stock of the bank shall be \$14,877,078 divided into 7,438,539 shares of the par value of \$2.00. Authorized but unissued stock may be issued by the Board of Directors under the provisions of the Banking Act of 1948, as presently enacted, and as from time to time amended and supplemented.”

If approved, the effective date of the reduction in par value will be the thirtieth (30th) day following receipt of the Certificate of Amendment by the New Jersey Commissioner of Banking and Insurance, unless approved or denied earlier by the Commissioner in writing. Following the effectiveness of the amendment to the Bank’s Certificate of Incorporation, the stated capital on the Bank’s balance sheet and the surplus capital account, in each case, attributable to the Bank’s Capital Stock, will be adjusted to reflect reduction in par value from \$5.00 to \$2.00.

The rights of holders of the Bank's capital stock with respect to each individual share of capital stock will not change after the amendment to the Bank's Certificate of Incorporation effecting the reduction in par value. Certain of the Bank's officers and directors have an interest in this Proposal 2 as a result of their ownership of shares of Capital Stock of the Bank, as set forth in the section entitled "*Stock Ownership of Directors, Executive Officers and Certain Beneficial Owners*" above. However, the Bank does not believe that its officers or directors have interests in the par value reduction that is different from or greater than those of any other stockholder of the Bank.

RECOMMENDATION ON PROPOSAL 2

**THE MEMBERS OF THE BANK'S BOARD OF DIRECTORS
UNANIMOUSLY RECOMMEND A VOTE "FOR" THE PROPOSAL
TO AMEND THE BANK'S CERTIFICATE OF INCORPORATION TO
CHANGE THE PAR VALUE OF ITS CAPITAL STOCK.**

MANAGEMENT

RUMSON-FAIR HAVEN BANK & TRUST COMPANY

Officers

Name	Position
Robert E. Davis, Jr.	President, Chief Executive Officer and Director
Dennis J. Flanagan	Executive Vice President, Chief Financial Officer and Director
Thomas Sannelli	Senior Vice President

Robert E. Davis, Jr., see “Proposal 1 – Election of Directors.”

Dennis J. Flanagan, see “Proposal 1 – Election of Directors.”

Thomas Sannelli joined the Bank in January 2006 as Senior Vice President of Business Development and Retail Operations. He previously served as Vice President with Shrewsbury State Bank from 2000-2005. He began his banking career in 1976 serving in many capacities as a local Monmouth County community banker. He currently serves on the boards of the Monmouth Council of Boy Scouts of America, Friends of the Monmouth County Park System, Westside Christian Academy, C.A.S.A. of Monmouth and Chairman of the Board of All Saints Historic Landmark Trust Incorporated. He is a graduate of Christian Brothers Academy, Brookdale Community College and the American Institute of Banking.

Executive Compensation

The following table sets forth information concerning the annual and long-term compensation for services in all capacities to the Bank for the years ended December 31, 2009, 2008 and 2007 of the President and Chief Executive Officer of the Bank and the other executive officers of the Bank whose annual salary and bonus compensation exceeded \$100,000:

Name and Position	Year	Salary and Bonus	Other Annual Compensation (*)
Robert E. Davis, Jr., President and Chief Executive Officer	2009	\$ 196,000	\$ 15,800
	2008	236,300	15,700
	2007	239,100	15,600
Dennis J. Flanagan, Executive Vice President and Chief Financial Officer	2009	\$ 170,000	\$ 12,600
	2008	187,500	12,200
	2007	182,000	12,200
Thomas Sannelli, Senior Vice President	2009	\$ 112,500	\$ 4,100
	2008	107,500	4,000
	2007	101,500	3,740

(*) Represents transportation allowances and 401K matching contributions.

Employment Agreements

On October 24, 2006, Messrs. Davis and Flanagan entered into separate individual employment agreements with the Bank, each providing for a three-year term. On October 24, 2009, these contracts were renewed for one-year terms. A summary of the terms of their respective agreements, as amended, follows:

The respective employment agreements, as renewed, provide for a base compensation for Mr. Davis of \$186,000 per year, and for a base compensation for Mr. Flanagan of \$150,000 per year. The agreements provide that Mr. Davis and Mr. Flanagan are eligible to participate in the Bank's bonus program, under which they may receive a bonus of up to forty percent and one-third of base salary, respectively, based on, among other things, the Bank's loan and deposit growth and overall profitability. The Personnel and Compensation Committee of the Bank's Board of Directors will determine the amount of any such bonuses. In the event the Bank terminates either employment agreement without cause, and in the event of a termination in connection with a change in control of the Bank, each of Mr. Davis and Mr. Flanagan is entitled to a severance payment equal to the greater of the value of the remaining time left in the agreement term or eighteen (18) months' current salary, plus a pro-rata share of any annual bonus for the year of termination, the value of all employee-related benefits, the automobile allowance calculated on the same basis as the severance payment and payment for any accrued yet unused vacation time. In addition, all unvested stock options previously awarded shall fully vest and be immediately exercisable. During the agreement term and for a period of one year following termination by Mr. Davis and/or Mr. Flanagan of their respective employment agreements for any reason, Mr. Davis or Mr. Flanagan, as the case may be, may not serve as a director, officer, employee, partner, independent contractor or in any other capacity in any bank or other financial or lending institution located within Monmouth County and Ocean County, New Jersey.

On January 7, 2008, Mr. Thomas Sannelli entered into a change of control agreement with the Bank for a one-year term. A summary of the terms of this agreement follows:

The term of the agreement is to continue in full force and effect for one year so long as Mr. Sannelli is employed by the Bank. In the event the Bank terminates Mr. Sannelli without cause in connection with a change in control of the Bank, he will be entitled to a severance payment equal to his monthly salary times twelve plus an amount equal to the largest annual cash bonus payment made to him for services provided in any of the three years prior to the change of control event. During the agreement term and for a period of six months following termination by Mr. Sannelli of the change of control agreement for any reason, he may not commence employment with or render service to any other bank or banking institution within the State of New Jersey.

Director Compensation

In 2009 the Board of Directors, excluding employee directors, were paid fees for attending board and committee meetings. Payment of such fees was in the form of newly-issued shares of the Bank's Capital Stock, as previously approved by the shareholders. For all of 2009, a total of 9,144 shares of Capital Stock were issued, in the aggregate, to nine non-employee directors. The expense associated with the issuance of these common shares amounted to \$51,000. There were no other forms of compensation paid to the directors.

Meetings of the Board of Directors

The Board of Directors holds regularly-scheduled meetings and special meetings are held, as circumstances require. During 2009 the Board of Directors held nine (9) Board meetings, with all but one director attending seventy-five percent (75%) or more of such meetings.

Audit Committee

The Bank has a standing Audit Committee comprised of four (4) members of the Board of Directors. The Audit Committee arranges for the Bank's examination through its independent accountants. The Audit Committee, currently consisting of Herbert M. Gardner, Ronald Shiftan, R. Van Whisnand and Joseph Castelluci, Esq., who serves as the Chairperson, held four (4) meetings during 2009, with all directors attending seventy-five percent (75%) or more of such meetings.

Certain Transactions with Management

The directors and officers of the Bank and their associates are customers of the Bank and accordingly, conduct banking activities with the Bank, including loan and deposit transactions. Loans to directors, officers and their associates are made in the ordinary course of the Bank's business, in accordance with applicable laws, and on substantially the same terms, including interest rates and collateral, as those prevailing at the time for comparable transactions with unaffiliated persons, and do not involve more than the normal risk of collectibility or present other features that would be unfavorable to the Bank.

The Bank entered into a lease agreement for a branch office with JNM Holdings, Inc. of which a former director of the Bank is the owner. The negotiations with respect to this lease were conducted at arm's-length and the Board of Directors of the Bank believes, based on an opinion of an independent appraiser, that the terms and conditions of the lease are comparable to terms that would have been available to the Bank from an unaffiliated third party.

W.J. Barrett Associates, of which director William J. Barrett is President, leases space in the Bank's Fair Haven branch. The Board of Directors of the Bank believes that the terms and conditions of the lease are comparable to terms that would have been provided by the Bank to an unaffiliated third party.

ANNUAL REPORT

The annual report to stockholders for the year ended December 31, 2009 accompanies this proxy statement. ParenteBeard LLP has audited the Bank's consolidated financial statements for the years ended December 31, 2009 and 2008, which statements are contained in the annual report to stockholders. Such annual report, including the audited consolidated financial statements contained therein, is not incorporated in this proxy statement and is not to be deemed a part of the proxy soliciting material.

RELATIONSHIP WITH INDEPENDENT ACCOUNTANTS

Selection of the independent public accountants for the Bank is made by the Audit Committee of the Board of Directors. ParenteBeard LLP was the Bank's independent public accountants for the years ended December 31, 2009 and 2008.

SOLICITATION OF PROXIES

The proxy solicitation is being made by the Board of Directors of the Bank and the cost of the solicitation will be borne by the Bank. In addition to the use of the mails, officers, directors and employees of the Bank who will not be specially compensated for such solicitation activities, may solicit proxies personally, by telephone or by facsimile transmission. Arrangements may be made with brokerage houses and other custodians, nominees and fiduciaries for forwarding solicitation materials to beneficial owners of shares held of record by such persons, and the Bank will reimburse such parties for their reasonable expenses incurred in that connection.

STOCKHOLDER PROPOSALS

Proposals of stockholders to be included in the Company's 2011 proxy material must be received by the Secretary of the Bank no later than December 1, 2010.

OTHER MATTERS

The Board of Directors is not aware of any other matters that may come before the Annual Meeting. However, in the event such other matters come before the Annual Meeting, it is the intention of the persons named in the proxy to vote on any such matters in accordance with the recommendation of the Board of Directors.

Stockholders are urged to sign and date the enclosed proxy, which is solicited on behalf of the Board of Directors, and return it in the enclosed prepaid envelope.

By Order of the Board of Directors

William J. Barrett
Chairman of the Board

Rumson, New Jersey
March 15, 2010