# (December 2011)

# Report of Organizational Actions Affecting Basis of Securities

OMB No. 1545-2224

Departm	nent of the Treasury Revenue Service		► See separate instruction	ns.
Part		g Issuer		
1 iss	suer's name			2 Issuer's employer identification number (EIN)
				11 2024105
Bridge	Bancorp, Inc.	additional information	4 Telephone No. of contact	11-2934195 5 Email address of contact
3 Na	ame of contact for	additional information	4 Telephone No. of contact	
Howar	d H. Nolan	1	631-537-1000	HNolan@bridgenb.com
6 Nu	mber and street (c	or P.O. box if mail is not	delivered to street address) of contact	7 City, town, or post office, state, and Zip code of contact
2200 Montauk Highway		Bridgehampton, NY 11932		
8. Da	ate of action		9 Classification and description	
			Duidee Bancorn Inc Stock	
	ary 14, 2014 USIP number	11 Serial number(s	Bridge Bancorp, Inc. Stock  12 Ticker symbol	13 Account number(s)
10 0	John Hamber	Condition(	,	
	108035106		BDGE	
Part	1 Organiza	tional Action Attac	h additional statements if needed.	See back of form for additional questions.
14	Describe the organ	izational action and, if a	oplicable, the date of the action or the	date against which shareholders' ownership is measured for
1	the action ► See	Attachment 1		
		•		
				ecurity in the hands of a U.S. taxpayer as an adjustment per
	share or as a perce	entage of old basis ► Se	e Attachment 1	
			asis and the data that supports the ca	lculation, such as the market values of securities and the
	valuation dates ►	See Attachment 2		
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Form 893	7 (Rev	. 12-2011)- 📑					Page 2
Part I			Action (continued)				
			Revenue Code section(		oon which the tax tre		Internal
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						······································	
18 Ca	an any YR	resulting loss be re	ecognized? ► No 1	oss can be tock for Br	recognized idae Banco	rp, Inc.	exchange of common stock.
If a	ta	xable loss	s is calcula	ted on the	deemed sal	e of a fr	actional share
of B	rid ang	ge Bancorr e. this lo	o, Inc. commoss can be r	<u>on stock de</u> ecognized.	emed to na	ve been r	eceived in the
					<del> </del>		
19 Pr	ovide	any other information	on necessary to implem	ent the adjustment, su	ch as the reportable	tax year ▶ The	reportable tax
<u>year</u>	is	December	31, 2014.			<u> </u>	
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	Unde	r penalties of perjury,	i declare that I have exam complete. Declaration of	nined this return, includin	g accompanying sched	ules and statements,	and to the best of my knowledge and
Sign	Delici	, it is pue, correct, and	Complete. Decialation of	proparer (outer alan emer	.,,		
Here	Signa	ature >				Date ►	
	Print	your name ►				Title ►	
Paid		Print/Type preparer's		Preparer's signature		Date 2/2//2	Check if PTIN self-employed P01387525
Prepa		RAYMOND K Firm's name ► M	ELLY IARCUM LLP	pan ofly		-106/2014	Firm's EIN > 11-1986323
Use C	•	Firm's address ▶ 1	O MELVILLE		LVILLE, NY	11747	Phone no. 631-414-4000
Send Fo	orm 89	37 (including accor	mpanying statements) to	o: Department of the T	reasury, internal Re-	venue Service, Ogo	JER, UT 04201-0004

## Bridge Bancorp, Inc. 11-2934195 Attachment 1 to Form 8937

#### Report of Organizational Actions Affecting Basis of Securities

#### Form 8937 Part II, Box 14

On February 14, 2014, Bridge Bancorp, Inc. completed the acquisition of FNBNY Bancorp, Inc. through the merger of FNBNY Bancorp, Inc. with and into Bridge Bancorp, Inc., with Bridge Bancorp, Inc. as the surviving entity. Immediately following the merger of FNBNY Bancorp, Inc. with and into Bridge Bancorp, Inc., the First National Bank of New York, a national banking association and wholly owned subsidiary of FNBNY Bancorp, Inc., merged with and into The Bridgehampton National Bank, a national banking association and wholly owned subsidiary of Bridge Bancorp, Inc. with the Bridgehampton National Bank as the surviving entity.

Under the terms of the Merger Agreement, shareholders of FNBY Bancorp, Inc. received an aggregate of 240,591 shares of Bridge Bancorp, Inc. common stock in exchange for all the issued and outstanding stock of FNBNY Bancorp, Inc. No fractional shares of Bridge Bancorp, Inc. were issued in connection with the Merger. Instead, Bridge Bancorp, Inc. made a cash payment to each FNBNY Bancorp, Inc. shareholder who would otherwise receive a fractional share.

#### Form 8937 Part II, Box 15

The Merger qualifies as a reorganization within the meaning of Section 368(a) of the Internal Revenue Code of 1986, as amended (the "Code"). As such, in general, the aggregate tax basis of the shares of Bridge Bancorp, Inc. common stock received by a FNBNY Bancorp, Inc. shareholder in such exchange will be equal (except for cash received in lieu of fractional shares, as discussed below) to the aggregate basis of the FNBNY Bancorp, Inc. common stock surrendered in exchange for the Bridge Bancorp, Inc. common stock.

FNBNY Bancorp, Inc. shareholders who receive cash instead of fractional shares of Bridge Bancorp, Inc. common stock will be treated as having received the fractional shares in the merger and then as having exchanged the fractional shares for cash. These holders will generally recognize gain or loss equal to the difference between the amount of cash received and the tax basis allocable to the fractional shares.

# Bridge Bancorp, Inc. 11-2934195 Attachment 2 (Page 1/2) to Form 8937 Part II, Box 6

## Report of Organizational Actions Affecting Basis of Securities

#### Example:

The following example illustrates the method by which a former FNBNY Bancorp, Inc. shareholder could determine his or her tax basis in the Bridge Bancorp, Inc. stock received in the Merger. The example assumes that the shareholder is an individual U.S. citizen or resident who acquired his or her shares of FNBNY Bancorp, Inc. stock in one block at the same price for cash and holds such shares as capital assets. The example does not address any special rules that may apply to a particular shareholder (including shares received as compensation), nor do they address the consequences of any state, local or foreign tax laws.

The calculations set forth below are for illustrative purposes only and should not be considered tax advice. You are urged to discuss your specific tax situation with your tax advisor.

Number of shares of FNBNY Bancorp, Inc. Stock held prior to the Merger- 100 shares

Tax basis in each share of FNBNY Bancorp, Inc. Stock - \$9

Realized Loss

Aggregate tax basis in FNBNY Bancorp, Inc. Stock-\$900 (100 shares x \$9)

Fair market value of each share of Bridge Bancorp, Inc. Stock received in the merger-\$25.38 (average closing stock price for the three days ended February 14, 2014)

Fair market value of Bridge Bancorp, Inc. Stock for purposes of determining fractional share payment - \$25.52 (closing price of Bridge Bancorp, Inc. Stock as of closing date)

1.	Cost Basis in FNBNY Bancorp, Inc. Stock: (100 x \$9)	\$ 900.00
2.	Total Merger Consideration:	
	(240,591/6,068,814= .03964)	
	(100  x  .03964 = 3.964  shrs)	
	Stock received (3 shares x \$25.38)	\$ 76.14
	Value of Fractional Share (0.964 x \$25.52)	24.60
	Total Consideration	\$ 100.74
3.	Realized Loss:	
	Total Consideration (See Line 2)	\$ 100.74
	Less: Cost basis in FNBNY Bancorp, Inc. Stock (see above)	900.00

(799.26)

# Bridge Bancorp, Inc. 11-2934195 Attachment 2 (Page 2/2) to Form 8937 Part II, Box 6

# Report of Organizational Actions Affecting Basis of Securities

# 4. Recognized Loss:

	Determined as the lesser of Realized Loss and Cash Received (not including cash in lieu of the fractional share)	\$ 0.00
5.	Tax Basis in Bridge Bancorp, Inc. Stock Received in the Merger	
	Basis in FNBNY Bancorp, Inc. Stock Less: Cash Amount Received Less: Recognized Loss	\$ 900.00 0.00 <u>0.00</u>
	Basis in Company Shares	\$ 900.00
6.	Taxable Loss on Fractional Share	
	Capital paid in lieu of fractional share (0.964 x \$25.52) Less: Basis attributable to fractional share (0.964/3.964 x \$900)	\$ 24.60 218.87
	Taxable Loss	\$ $(\overline{194.27})$
7.	Final Adjusted Tax Basis in Bridge Bancorp, Inc. Stock	
	Basis in Bridge Bancorp, Inc. Stock received (including fractional share)	\$ 900.00
	Less: Basis attributable to fractional share	\$ (218.87)
	Basis in Bridge Bancorp, Inc. Stock	\$ 681.13
	Per Share Basis (\$681.13/3)	\$ 227.04

The calculations set forth above are for illustrative purposes only and should not be considered tax advice. You are urged to discuss your specific tax situation with your tax advisor.

\* \* \* \* \*

The information in this document does not constitute tax advice and is not intended or written to be used, and cannot be used, for the purposes of (i) avoiding penalties under the Internal Revenue Code or (ii) promoting, marketing or recommending any transaction or matter addressed herein.

Posted to the Bridge Bancorp, Inc. website on March 7, 2014