UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

☒ QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended June 30, 2023
OR

☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from to

Commission file number 001-34096

DIME COMMUNITY BANCSHARES, INC.

(Exact name of registrant as specified in its charter)

N/A
(Former name or former address, if changed since last report)

New York	**11-2934195**
(State or other jurisdiction of incorporation or organization)	**(I.R.S. employer identification number)**
898 Veterans Memorial Highway, Suite 560, Hauppauge, NY	**11788**
***(*Address of principal executive offices)**	**(Zip Code)**

(631) 537-1000
(Registrant's telephone number, including area code)

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, $0.01 Par Value	DCOM	The NASDAQ Stock Market
Preferred Stock, Series A, $0.01 Par Value	DCOMP	The NASDAQ Stock Market

Indicate by check mark whether the registrant (1) has filed all the reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company, or an emerging growth company. See definitions of "large accelerated filer," "accelerated filer" "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large Accelerated Filer ☒	Accelerated Filer ☐
Non-Accelerated Filer ☐	Smaller Reporting Company ☐
	Emerging Growth Company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). YES ☐ NO ☒

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

Classes of Common Stock	Number of shares outstanding at July 31, 2023
$0.01 Par Value	38,826,921

Cautionary Note Regarding Forward-Looking Statements

This Quarterly Report on Form 10-Q contains a number of forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). These statements may be identified by use of words such as “annualized,” “anticipate,” “believe,” “continue,” “could,” “estimate,” “expect,” “intend,” “seek,” “may,” “outlook,” “plan,” “potential,” “predict,” “project,” “should,” “will,” “would” and similar terms and phrases, including references to assumptions.

Forward-looking statements are based upon various assumptions and analyses made by Dime Community Bancshares, Inc. (together with its direct and indirect subsidiaries, the “Company”), in light of management’s experience and its perception of historical trends, current conditions and expected future developments, as well as other factors it believes appropriate under the circumstances. These statements are not guarantees of future performance and are subject to risks, uncertainties and other factors (many of which are beyond the Company’s control) that could cause actual conditions or results to differ materially from those expressed or implied by such forward-looking statements. Accordingly, you should not place undue reliance on such statements. These factors include, without limitation, the following:

- increases in competitive pressure among financial institutions or from non-financial institutions;
- inflation and fluctuation in market interest rates, which may affect demand for our products, interest margins and the fair value of financial instruments;
- changes in deposit flows, loan demand or real estate values;
- changes in the quality and composition of our loan or investment portfolios or unanticipated or significant increases in loan losses;
- changes in accounting principles, policies or guidelines;
- changes in corporate and/or individual income tax laws or policies;
- general socio-economic conditions, including conditions caused by COVID-19 pandemic, other public health emergencies, international conflict, inflation and recessionary pressures, either nationally or locally in some or all areas in which the Company conducts business, or conditions in the securities markets or the banking industry;
- legislative, regulatory or policy changes;
- technological changes;
- breaches or failures of the Company’s information technology security systems;
- difficulties or unanticipated expenses incurred in the consummation of new business initiatives or the integration of any acquired entities;
- litigation or matters before regulatory agencies; and
- the risks referred to in the section entitled "Risk Factors" in our Annual Report on Form 10-K for the year ended December 31, 2022, as updated by our subsequent Quarterly Reports on Form 10-Q and Current Reports on Form 8-K.

The Company has no obligation to update any forward-looking statements to reflect events or circumstances after the date of this document.

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Item 1. Condensed Consolidated Financial Statements

DIME COMMUNITY BANCSHARES, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF FINANCIAL CONDITION (UNAUDITED)
(Dollars in thousands except share amounts)

	June 30, 2023	December 31, 2022
Assets:		
Cash and due from banks	$ 452,504	$ 169,297
Securities available-for-sale, at fair value	894,856	950,587
Securities held-to-maturity	603,960	585,798
Loans held for sale	371	—
Loans held for investment, net of fees and costs	10,876,415	10,566,831
Allowance for credit losses	(75,646)	(83,507)
Total loans held for investment, net	10,800,769	10,483,324
Premises and fixed assets, net	45,890	46,749
Restricted stock	104,724	88,745
Bank Owned Life Insurance ("BOLI")	337,083	333,292
Goodwill	155,797	155,797
Other intangible assets	5,758	6,484
Operating lease assets	54,931	57,857
Derivative assets	147,740	154,485
Accrued interest receivable	51,787	48,561
Other assets	146,692	108,945
Total assets	$ 13,802,862	$ 13,189,921
Liabilities:		
Interest-bearing deposits	$ 7,567,874	$ 6,734,997
Non-interest-bearing deposits	2,884,184	3,449,763
Deposits (excluding mortgage escrow deposits)	10,452,058	10,184,760
Non-interest-bearing mortgage escrow deposits	70,431	69,455
Interest-bearing mortgage escrow deposits	203	192
Total mortgage escrow deposits	70,634	69,647
Federal Home Loan Bank of New York ("FHLBNY") advances	1,448,000	1,131,000
Other short-term borrowings	—	1,360
Subordinated debt, net	200,240	200,283
Derivative cash collateral	140,160	153,040
Operating lease liabilities	57,547	60,340
Derivative liabilities	131,130	137,335
Other liabilities	100,590	82,573
Total liabilities	12,600,359	12,020,338
Commitments and contingencies	—	—
Stockholders' equity:		
Preferred stock, Series A ($0.01 par, $25.00 liquidation value, 10,000,000 shares authorized and 5,299,200 shares issued and outstanding at June 30, 2023 and December 31, 2022)	116,569	116,569
Common stock ($0.01 par, 80,000,000 shares authorized, 41,632,327 and 41,621,772 shares shares issued at June 30, 2023 and December 31, 2022, and 38,803,119 shares and 38,573,000 shares outstanding at June 30, 2023 and December 31, 2022, respectively)	416	416
Additional paid-in capital	493,955	495,410
Retained earnings	804,532	762,762
Accumulated other comprehensive loss, net of deferred taxes	(104,385)	(94,379)
Unearned equity awards	(11,746)	(8,078)
Treasury stock, at cost (2,829,208 shares and 3,048,772 shares at June 30, 2023 and December 31, 2022, respectively)	(96,838)	(103,117)
Total stockholders' equity	1,202,503	1,169,583
Total liabilities and stockholders' equity	$ 13,802,862	$ 13,189,921

See notes to unaudited condensed consolidated financial statements.

DIME COMMUNITY BANCSHARES, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF INCOME (UNAUDITED)
(Dollars in thousands except per share amounts)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2023	**2022**	**2023**	**2022**
Interest income:				
Loans	**$ 138,310**	$ 93,102	**$ 266,749**	$ 179,522
Securities	**7,914**	7,067	**16,345**	14,198
Other short-term investments	**5,867**	741	**9,669**	1,109
Total interest income	**152,091**	100,910	**292,763**	194,829
Interest expense:				
Deposits and escrow	**52,616**	3,731	**89,888**	6,262
Borrowed funds	**17,759**	3,573	**33,930**	5,851
Derivative cash collateral	**1,497**	94	**2,974**	95
Total interest expense	**71,872**	7,398	**126,792**	12,208
Net interest income	**80,219**	93,512	**165,971**	182,621
Provision (recovery) for credit losses	**892**	44	**(2,756)**	(1,548)
Net interest income after provision (recovery) for credit losses	**79,327**	93,468	**168,727**	184,169
Non-interest income:				
Service charges and other fees	**4,856**	4,337	**8,670**	8,395
Title fees	**246**	683	**538**	1,104
Loan level derivative income	**2,437**	1,685	**5,570**	1,691
BOLI income	**2,852**	4,143	**5,015**	5,982
Gain on sale of Small Business Administration ("SBA") loans	**210**	723	**726**	965
Gain on sale of residential loans	**34**	191	**82**	339
Loss on equity securities	**(780)**	—	**(780)**	—
Net loss on sale of securities and other assets	**—**	—	**(1,447)**	—
Other	**550**	362	**1,032**	851
Total non-interest income	**10,405**	12,124	**19,406**	19,327
Non-interest expense:				
Salaries and employee benefits	**29,900**	28,454	**56,534**	59,288
Severance	**481**	2,193	**506**	2,193
Occupancy and equipment	**7,144**	7,396	**14,517**	14,980
Data processing costs	**4,197**	3,913	**8,435**	7,718
Marketing	**1,488**	1,515	**2,937**	2,810
Professional services	**1,676**	2,028	**3,599**	4,122
Federal deposit insurance premiums	**1,874**	1,150	**3,747**	2,300
Loss from extinguishment of debt	—	740	—	740
Amortization of other intangible assets	**349**	430	**726**	1,016
Other	**5,077**	4,019	**8,660**	6,559
Total non-interest expense	**52,186**	51,838	**99,661**	101,726
Income before income taxes	**37,546**	53,754	**88,472**	101,770
Income tax expense	**10,048**	15,269	**23,671**	28,754
Net income	**27,498**	38,485	**64,801**	73,016
Preferred stock dividends	**1,822**	1,822	**3,643**	3,643
Net income available to common stockholders	**$ 25,676**	$ 36,663	**$ 61,158**	$ 69,373
Earnings per common share:				
Basic	**$ 0.66**	$ 0.94	**$ 1.58**	$ 1.76
Diluted	**$ 0.66**	$ 0.94	**$ 1.58**	$ 1.76

See notes to unaudited condensed consolidated financial statements.

DIME COMMUNITY BANCSHARES, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (UNAUDITED)
(Dollars in thousands except per share amounts)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2023	**2022**	**2023**	**2022**
Net income	**$ 27,498**	$ 38,485	**$ 64,801**	$ 73,016
Other comprehensive income (loss):				
Change in unrealized gain (loss) on securities:				
Change in net unrealized loss during the period	**(11,291)**	(33,157)	**(13,593)**	(103,288)
Reclassification adjustment for net losses included in net loss on sale of securities and other assets	**—**	—	**1,447**	—
Accretion of net unrealized loss on securities transferred to held-to-maturity	**796**	829	**1,553**	999
Change in pension and other postretirement obligations:				
Reclassification adjustment for expense included in other expense	**(370)**	(936)	**(740)**	(1,870)
Change in the net actuarial gain	**814**	998	**1,035**	1,995
Change in unrealized gain (loss) on derivatives:				
Change in net unrealized gain (loss) during the period	**1,586**	2,309	**(525)**	9,161
Reclassification adjustment for expense included in interest expense	**299**	(54)	**(14)**	(23)
Other comprehensive loss before income taxes	**(8,166)**	(30,011)	**(10,837)**	(93,026)
Deferred tax expense	**(2,419)**	(9,441)	**(831)**	(29,257)
Total other comprehensive loss, net of tax	**(5,747)**	(20,570)	**(10,006)**	(63,769)
Total comprehensive income	**$ 21,751**	$ 17,915	**$ 54,795**	$ 9,247

See notes to unaudited condensed consolidated financial statements.

DIME COMMUNITY BANCSHARES, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY (UNAUDITED)
(Dollars in thousands)

	Six Months Ended June 30, 2023								
	Number of Shares of Common Stock	Preferred Stock	Common Stock	Additional Paid-in Capital	Retained Earnings	Accumulated Other Comprehensive Loss, Net of Deferred Taxes	Unearned Equity Awards	Treasury Stock, at cost	Total Stockholders' Equity
Beginning balance as of January 1, 2023	38,573,000	$ 116,569	$ 416	$ 495,410	$ 762,762	$ (94,379)	$ (8,078)	$ (103,117)	$ 1,169,583
Net income	—	—	—	—	37,303	—	—	—	37,303
Other comprehensive loss, net of tax	—	—	—	—	—	(4,259)	—	—	(4,259)
Release of shares, net of forfeitures	293,106	—	—	(1,608)	—	—	(6,692)	8,507	207
Stock-based compensation	—	—	—	—	—	—	1,302	—	1,302
Shares received related to tax withholding	(36,932)	—	—	(1)	—	—	—	(1,112)	(1,113)
Cash dividends declared to preferred stockholders	—	—	—	—	(1,821)	—	—	—	(1,821)
Cash dividends declared to common stockholders	—	—	—	—	(9,234)	—	—	—	(9,234)
Purchase of treasury stock	(24,813)	—	—	—	—	—	—	(715)	(715)
Ending balance as of March 31, 2023	38,804,361	116,569	416	493,801	789,010	(98,638)	(13,468)	(96,437)	1,191,253
Net income	—	—	—	—	27,498	—	—	—	27,498
Other comprehensive loss, net of tax	—	—	—	—	—	(5,747)	—	—	(5,747)
Release of shares, net of forfeitures	13,262	—	—	154	—	—	364	(123)	395
Stock-based compensation	—	—	—	—	—	—	1,358	—	1,358
Shares received related to tax withholding	(2,504)	—	—	—	—	—	—	(46)	(46)
Cash dividends declared to preferred stockholders	—	—	—	—	(1,822)	—	—	—	(1,822)
Cash dividends declared to common stockholders	—	—	—	—	(10,154)	—	—	—	(10,154)
Purchase of treasury stock	(12,000)	—	—	—	—	—	—	(232)	(232)
Ending balance as of June 30, 2023	38,803,119	$ 116,569	$ 416	$ 493,955	$ 804,532	$ (104,385)	$ (11,746)	$ (96,838)	$ 1,202,503

	Six Months Ended June 30, 2022								
	Number of Shares of Common Stock	**Preferred Stock**	**Common Stock**	**Additional Paid-in Capital**	**Retained Earnings**	**Accumulated Other Comprehensive Loss, Net of Deferred Taxes**	**Unearned Equity Awards**	**Treasury Stock, at cost**	**Total Stockholders' Equity**
Beginning balance as of January 1, 2022	39,877,833	$ 116,569	$ 416	$ 494,125	$ 654,726	$ (6,181)	$ (7,842)	$ (59,193)	$ 1,192,620
Net income	—	—	—	—	34,531	—	—	—	34,531
Other comprehensive income, net of tax	—	—	—	—	—	(43,199)	—	—	(43,199)
Release of shares, net of forfeitures	127,812	—	—	844	—	—	(3,939)	3,284	189
Stock-based compensation	—	—	—	—	—	—	1,219	—	1,219
Shares received related to tax withholding	(40,731)	—	—	—	—	—	—	(1,414)	(1,414)
Cash dividends declared to preferred stockholders	—	—	—	—	(1,821)	—	—	—	(1,821)
Cash dividends declared to common stockholders	—	—	—	—	(9,446)	—	—	—	(9,446)
Purchase of treasury stock	(505,005)	—	—	—	—	—	—	(17,392)	(17,392)
Ending balance as of March 31, 2022	**39,459,909**	**116,569**	**416**	**494,969**	**677,990**	**(49,380)**	**(10,562)**	**(74,715)**	**1,155,287**
Net income	—	—	—	—	38,485	—	—	—	38,485
Other comprehensive income, net of tax	—	—	—	—	—	(20,570)	—	—	(20,570)
Release of shares, net of forfeitures	27,125	—	—	297	—	—	(644)	726	379
Stock-based compensation	—	—	—	—	—	—	946	—	946
Shares received related to tax withholding	(37)	—	—	—	—	—	—	(1)	(1)
Cash dividends declared to preferred stockholders	—	—	—	—	(1,822)	—	—	—	(1,822)
Cash dividends declared to common stockholders, net	—	—	—	—	(9,282)	—	—	—	(9,282)
Purchase of treasury stock	(717,644)	—	—	—	—	—	—	(22,900)	(22,900)
Ending balance as of June 30, 2022	**38,769,353**	**$ 116,569**	**$ 416**	**$ 495,266**	**$ 705,371**	**$ (69,950)**	**$ (10,260)**	**$ (96,890)**	**$ 1,140,522**

See notes to unaudited condensed consolidated financial statements.

DIME COMMUNITY BANCSHARES, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED)
(Dollars in thousands)

	Six Months Ended June 30,	
	2023	**2022**
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income	**$ 64,801**	$ 73,016
Adjustments to reconcile net income to net cash provided by operating activities:		
Net loss on sales of securities available-for-sale and other assets	**1,447**	—
Loss on equity securities	**780**	—
Net gain on sale of loans held for sale	**(808)**	(1,304)
Net depreciation, amortization and accretion	**3,056**	4,370
Amortization of other intangible assets	**726**	1,016
Loss on extinguishment of debt	—	740
Stock-based compensation	**2,660**	2,165
Recovery for credit losses	**(2,756)**	(1,548)
Originations of loans held for sale	**(4,570)**	(14,790)
Proceeds from sale of loans originated for sale	**14,510**	28,069
Increase in cash surrender value of BOLI	**(4,370)**	(3,826)
Gain from death benefits from BOLI	**(645)**	(2,156)
Increase in other assets	**(31,711)**	(32,856)
Increase in other liabilities	**1,492**	94,513
Net cash provided by operating activities	**44,612**	147,409
CASH FLOWS FROM INVESTING ACTIVITIES:		
Proceeds from sales of securities available-for-sale	**77,804**	—
Purchases of securities available-for-sale	**(78,667)**	(6,210)
Purchases of securities held-to-maturity	**(27,136)**	(41,631)
Proceeds from calls and principal repayments of securities available-for-sale	**38,389**	112,270
Proceeds from calls and principal repayments of securities held-to-maturity	**10,680**	14,102
Purchase of BOLI	—	(30,000)
Proceeds received from cash surrender value of BOLI	—	2,843
Proceeds from the sale of portfolio loans transferred to held for sale	**1,701**	13,201
Net increase in loans	**(326,105)**	(439,736)
Purchases of fixed assets, net	**(2,435)**	(1,753)
Purchases of restricted stock, net	**(15,979)**	(4,378)
Net cash used in investing activities	**(321,748)**	(381,292)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Increase in deposits	**268,386**	107,245
Proceeds from FHLBNY advances, short-term, net	**155,000**	75,000
Proceeds from FHLBNY advances, long-term	**162,000**	—
(Repayments) proceeds of other short-term borrowings, net	**(1,360)**	300
Proceeds from subordinated debentures issuance, net	—	157,559
Redemption of subordinated debentures	—	(155,000)
Release of stock for benefit plan awards	**602**	568
Payments related to tax withholding for equity awards	**(1,159)**	(1,415)
Purchase of treasury stock	**(947)**	(40,292)
Cash dividends paid to preferred stockholders	**(3,643)**	(3,643)
Cash dividends paid to common stockholders	**(18,536)**	(18,674)
Net cash provided by financing activities	**560,343**	121,648
Increase (decrease) in cash and cash equivalents	**283,207**	(112,235)
CASH AND CASH EQUIVALENTS, BEGINNING OF PERIOD	**169,297**	393,722
CASH AND CASH EQUIVALENTS, END OF PERIOD	**$ 452,504**	$ 281,487
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:		
Cash paid for income taxes	**$ 29,470**	$ 22,057
Cash paid for interest	**114,017**	10,895
Securities available-for-sale transferred to held-to-maturity	—	372,153
Loans transferred to held for sale	**11,049**	24,178
Premises transferred to (from) held for sale	—	4,078
Operating lease assets in exchange for operating lease liabilities	**2,749**	1,004

See notes to unaudited condensed consolidated financial statements.

NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. BASIS OF PRESENTATION

Dime Community Bancshares, Inc. (the " Holding Company") is engaged in commercial banking and financial services through its wholly-owned subsidiary, Dime Community Bank ("the Bank"). The Bank was established in 1910 and is headquartered in Hauppauge, New York. The Holding Company was incorporated under the laws of the State of New York in 1988 to serve as the holding company for the Bank. The Holding Company functions primarily as the holder of all of the Bank's common stock. Our bank operations include Dime Community Inc., a real estate investment trust subsidiary which was formerly known as Bridgehampton Community, Inc., as an operating subsidiary. Our bank operations also include Dime Abstract LLC ("Dime Abstract"), a wholly-owned subsidiary of the Bank, which is a broker of title insurance services. In September 2021, the Company dissolved two REITs, DSBW Preferred Funding Corporation and DSBW Residential Preferred Funding Corporation, which were wholly-owned subsidiaries of the Bank, and the preferred shares outstanding were redeemed by their shareholders. As of June 30, 2023, we operated 60 branch locations throughout Long Island and the New York City boroughs of Brooklyn, Queens, Manhattan, Bronx and Staten Island.

The unaudited consolidated financial statements presented in this Quarterly Report on Form 10-Q include the collective results of the Holding Company and its wholly-owned subsidiary, the Bank, which are collectively herein referred to as "we", "us", "our" and the "Company."

The accompanying unaudited consolidated financial statements have been prepared in accordance with U.S. generally accepted accounting principles ("GAAP") for interim financial information and with the instructions to Form 10-Q and Article 10 of Regulation S-X. The unaudited consolidated financial statements included herein reflect all normal recurring adjustments that are, in the opinion of management, necessary for a fair presentation of the results for the interim periods presented. In preparing the interim financial statements, management has made estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expense during the reported periods. Such estimates are subject to change in the future as additional information becomes available or previously existing circumstances are modified. Actual future results could differ significantly from those estimates. The annualized results of operations for the three and six months ended June 30, 2023 are not necessarily indicative of the results of operations that may be expected for the entire fiscal year. Certain information and note disclosures normally included in the financial statements prepared in accordance with GAAP have been condensed or omitted pursuant to the rules and regulations of the Securities and Exchange Commission (the "SEC"). Certain reclassifications have been made to prior year amounts, and the related discussion and analysis, to conform to the current year presentation. These reclassifications did not have an impact on net income or total stockholders' equity. The unaudited consolidated financial statements should be read in conjunction with the audited consolidated financial statements and notes thereto included in the Company's Annual Report on Form 10-K for the year ended December 31, 2022, which remain significantly unchanged and have been followed similarly as in prior periods.

2. SUMMARY OF ACCOUNTING POLICIES

Summary of Significant Accounting Policies

In the opinion of management, the accompanying unaudited condensed consolidated financial statements contain all adjustments necessary for a fair presentation of the Company's financial condition as of June 30, 2023 and December 31, 2022, the results of operations and statements of comprehensive income for the three and six months ended June 30, 2023 and 2022, the changes in stockholders' equity for the three and six months ended June 30, 2023 and 2022, and cash flows for the six months ended June 30, 2023 and 2022.

Please see "Part I - Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations - Critical Accounting Policies" for a discussion of areas in the accompanying unaudited condensed consolidated financial statements utilizing significant estimates.

Adoption of Recent Accounting Standards

ASU 2022-01, Derivatives and Hedging (Topic 815): Fair Value Hedging-Portfolio Layer Method

On March 28, 2022, the Financial Accounting Standards Board issued Accounting Standards Update (ASU) 2022-01, Derivatives and Hedging (Topic 815): Fair Value Hedging – Portfolio Layer Method. The purpose of this updated guidance is to further align risk management objectives with hedge accounting results on the application of the last-of-layer method, which was first introduced in ASU 2017-12, Derivatives and Hedging (Topic 815): Targeted Improvements to Accounting for Hedging Activities. ASU 2022-01 is effective for public business entities for fiscal years beginning after December 15, 2022, with early adoption in the interim period, permitted. For entities who have already adopted ASU 2017-12, immediate adoption is allowed. The Company adopted this ASU on January 1, 2023, on a prospective basis; therefore, there was no impact to the consolidated financial statements.

ASU 2022-02, Financial Instruments-Credit Losses (Topic 326): Troubled Debt Restructurings and Vintage Disclosures

ASU 2022-02 eliminates troubled debt restructuring (“TDR”) recognition and measurement guidance and, instead, requires that an entity evaluate whether the modification represents a new loan or a continuation of an existing loan. ASU 2022-02 enhances existing disclosure requirements and introduces new requirements related to certain modifications of receivables made to borrowers experiencing financial difficulty. For entities that have adopted the amendments of ASU 2016-13, the amendments in ASU 2022-02 are effective for fiscal years beginning after December 15, 2022, including interim periods within those fiscal years. This ASU is effective for the Company on January 1, 2023. The Company adopted ASU 2022-02 on its effective date using the modified retrospective method. The adoption of ASU 2022-02 did not have a material impact on the Company's consolidated financial statements.

ASU 2020-04, Reference Rate Reform (Topic 848)

ASU 2020-04 provides optional expedients and exceptions for applying GAAP to loan and lease agreements, derivative contracts, and other transactions affected by the anticipated transition away from LIBOR toward new interest rate benchmarks. ASU 2020-04 also provides numerous optional expedients for derivative accounting. ASU 2020-04 is effective March 12, 2020 through December 31, 2022. Once optional expedients are elected, the amendments in this ASU must be applied prospectively for all eligible contract modifications for that Topic or Industry Subtopic within the Codification. The Company adopted this ASU on July 1, 2023. The LIBOR transition is not anticipated to have a material effect on the Company's consolidated financial statements.

ASU 2021-01, Reference Rate Reform (Topic 848): Scope

ASU 2021-01 clarifies that all derivative instruments affected by changes to the interest rates used for discounting, margining, or contract price alignment due to reference rate reform are in the scope of ASC 848. Entities may apply certain optional expedients in ASC 848 to derivative instruments that do not reference LIBOR or another rate expected to be discontinued as a result of reference rate reform if there is a change to the interest rate used for discounting, margining or contract price alignment. ASU 2021-01 is effective upon issuance and generally can be applied through December 31, 2022. The Company adopted this ASU on July 1, 2023. The LIBOR transition is not anticipated to have a material effect on the Company's consolidated financial statements.

3. ACCUMULATED OTHER COMPREHENSIVE INCOME (LOSS)

Activity in accumulated other comprehensive (loss) income, net of tax, was as follows:

(In thousands)	Securities	Defined Benefit Plans	Derivatives	Total Accumulated Other Comprehensive Income (Loss)
Balance as of January 1, 2023	**$ (100,870)**	**$ (5,266)**	**$ 11,757**	**$ (94,379)**
Other comprehensive (loss) income before reclassifications	**(12,259)**	**729**	**(56)**	**(11,586)**
Amounts reclassified from accumulated other comprehensive loss	**2,111**	**(521)**	**(10)**	**1,580**
Net other comprehensive (loss) income during the period	**(10,148)**	**208**	**(66)**	**(10,006)**
Balance as of June 30, 2023	**$ (111,018)**	**$ (5,058)**	**$ 11,691**	**$ (104,385)**
Balance as of January 1, 2022	$ (7,864)	$ (1,306)	$ 2,989	$ (6,181)
Other comprehensive (loss) income before reclassifications	(70,803)	1,368	6,279	(63,156)
Amounts reclassified from accumulated other comprehensive loss	685	(1,282)	(16)	(613)
Net other comprehensive (loss) income during the period	(70,118)	86	6,263	(63,769)
Balance as of June 30, 2022	$ (77,982)	$ (1,220)	$ 9,252	$ (69,950)

The before and after tax amounts allocated to each component of other comprehensive (loss) income are presented in the table below for the periods indicated.

	Three Months Ended June 30,		Six Months Ended June 30,	
(In thousands)	2023	2022	2023	2022
Change in unrealized gain (loss) on securities:				
Change in net unrealized loss during the period	**$ (11,291)**	$ (33,157)	**$ (13,593)**	$ (103,288)
Reclassification adjustment for net losses included in net loss on sale of securities and other assets	**—**	—	**1,447**	—
Accretion of net unrealized loss on securities transferred to held-to-maturity	**796**	829	**1,553**	999
Net change	**(10,495)**	(32,328)	**(10,593)**	(102,289)
Tax benefit	**(3,109)**	(10,169)	**(445)**	(32,171)
Net change in unrealized loss on securities, net of reclassification adjustments and tax	**(7,386)**	(22,159)	**(10,148)**	(70,118)
Change in pension and other postretirement obligations:				
Reclassification adjustment for expense included in other expense	**(370)**	(936)	**(740)**	(1,870)
Change in the net actuarial gain	**814**	998	**1,035**	1,995
Net change	**444**	62	**295**	125
Tax expense	**131**	18	**87**	39
Net change in pension and other postretirement obligations	**313**	44	**208**	86
Change in unrealized gain (loss) on derivatives:				
Change in net unrealized gain (loss) during the period	**1,586**	2,309	**(525)**	9,161
Reclassification adjustment for expense included in interest expense	**299**	(54)	**(14)**	(23)
Net change	**1,885**	2,255	**(539)**	9,138
Tax expense (benefit)	**559**	710	**(473)**	2,875
Net change in unrealized (loss) gain on derivatives, net of reclassification adjustments and tax	**1,326**	1,545	**(66)**	6,263
Other comprehensive loss, net of tax	**$ (5,747)**	$ (20,570)	**$ (10,006)**	$ (63,769)

4. EARNINGS PER COMMON SHARE

Basic earnings per share (“EPS”) is computed by dividing net income available to common stockholders by the weighted-average common shares outstanding during the reporting period. Diluted EPS is computed using the same method as basic EPS, but reflects the potential dilution that would occur if "in the money" stock options were exercised and converted into common stock. In determining the weighted-average shares outstanding for basic and diluted EPS, treasury shares are excluded. Vested restricted stock award (“RSA”) shares are included in the calculation of the weighted-average shares outstanding for basic and diluted EPS. Unvested RSA and performance-based share awards (“PSA”) shares not yet awarded are recognized as a special class of participating securities under ASC 260, and are included in the calculation of the weighted-average shares outstanding for basic and diluted EPS.

The following is a reconciliation of the numerators and denominators of basic and diluted EPS for the periods presented:

	Three Months Ended June 30,		Six Months Ended June 30,	
(In thousands except share and per share amounts)	**2023**	**2022**	**2023**	**2022**
Net income available to common stockholders	**$ 25,676**	$ 36,663	**$ 61,158**	$ 69,373
Less: Dividends paid and earnings allocated to participating securities	**(417)**	(432)	**(806)**	(806)
Income attributable to common stock	**$ 25,259**	$ 36,231	**$ 60,352**	$ 68,567
Weighted-average common shares outstanding, including participating securities	**38,805,966**	39,092,205	**38,687,941**	39,384,803
Less: weighted-average participating securities	**(629,973)**	(460,522)	**(523,582)**	(445,050)
Weighted-average common shares outstanding	**38,175,993**	38,631,683	**38,164,359**	38,939,753
Basic EPS	**$ 0.66**	$ 0.94	**$ 1.58**	$ 1.76
Income attributable to common stock	**$ 25,259**	$ 36,231	**$ 60,352**	$ 68,567
Weighted-average common shares outstanding	**38,175,993**	38,631,683	**38,164,359**	38,939,753
Weighted-average common equivalent shares outstanding	**—**	—	**—**	—
Weighted-average common and equivalent shares outstanding	**38,175,993**	38,631,683	**38,164,359**	38,939,753
Diluted EPS	**$ 0.66**	$ 0.94	**$ 1.58**	$ 1.76

Common and equivalent shares resulting from the dilutive effect of "in-the-money" outstanding stock options are calculated based upon the excess of the average market value of the common stock over the exercise price of outstanding in-the-money stock options during the period.

There were 92,137 weighted-average stock options outstanding for the three and six months ended June 30, 2023, which were not considered in the calculation of diluted EPS since their exercise prices exceeded the average market price during the period. There were 121,253 weighted-average stock options outstanding for the three and six months ended June 30, 2022, which were not considered in the calculation of diluted EPS since their exercise prices exceeded the average market price during the period.

5. PREFERRED STOCK

On February 5, 2020, Legacy Dime completed an underwritten public offering of 2,999,200 shares, or $75.0 million in aggregate liquidation preference, of its 5.50% Fixed-Rate Non-Cumulative Perpetual Preferred Stock, Series A, par value $0.01 per share, with a liquidation preference of $25.00 per share (the “Legacy Dime Preferred Stock”). The net proceeds received from the issuance of preferred stock at the time of closing were $72.2 million. On June 10, 2020, Legacy Dime completed an underwritten public offering, a reopening of its February 5, 2020 original issuance, of 2,300,000 shares, or $57.5 million in aggregate liquidation preference, of the Legacy Dime Preferred Stock. The net proceeds received from the issuance of preferred stock at the time of closing were $44.3 million.

At the Effective Time of the Merger, each outstanding share of the Legacy Dime Preferred Stock was converted into the right to receive one share of a newly created series of the Company’s preferred stock having the same powers, preferences and rights as the Legacy Dime Preferred Stock.

The Company expects to pay dividends when, as, and if declared by its board of directors, at a fixed rate of 5.50% per annum, payable quarterly, in arrears, on February 15, May 15, August 15 and November 15 of each year. The preferred stock is perpetual and has no stated maturity. The Company may redeem the preferred stock at its option at a redemption price equal to $25.00 per share, plus any declared and unpaid dividends (without regard to any undeclared dividends), subject to regulatory approval, on or after June 15, 2025 or within 90 days following a regulatory capital treatment event, as described in the prospectus supplement and accompanying prospectus relating to the offering.

6. SECURITIES

The following tables summarize the major categories of securities as of the dates indicated:

	June 30, 2023			
(In thousands)	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
Securities available-for-sale:				
Agency notes	**$ 10,000**	**$ —**	**$ (855)**	**$ 9,145**
Treasury securities	**246,392**	**—**	**(17,785)**	**228,607**
Corporate securities	**169,589**	**—**	**(30,036)**	**139,553**
Pass-through mortgage-backed securities ("MBS") issued by government sponsored entities ("GSEs")	**253,191**	**—**	**(30,607)**	**222,584**
Agency collateralized mortgage obligations ("CMOs")	**317,307**	**2**	**(51,636)**	**265,673**
State and municipal obligations	**31,794**	**—**	**(2,500)**	**29,294**
Total securities available-for-sale	**$ 1,028,273**	**$ 2**	**$ (133,419)**	**$ 894,856**

	June 30, 2023			
(In thousands)	Amortized Cost	Gross Unrecognized Gains	Gross Unrecognized Losses	Fair Value
Securities held-to-maturity:				
Agency notes	**$ 89,359**	**$ —**	**$ (13,284)**	**$ 76,075**
Corporate securities	**9,000**	**—**	**(1,340)**	**7,660**
Pass-through MBS issued by GSEs	**286,918**	**—**	**(40,848)**	**246,070**
Agency CMOs	**218,683**	**—**	**(28,419)**	**190,264**
Total securities held-to-maturity	**$ 603,960**	**$ —**	**$ (83,891)**	**$ 520,069**

	December 31, 2022			
(In thousands)	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
Securities available-for-sale:				
Treasury securities	$ 246,899	$ —	$ (19,643)	$ 227,256
Corporate securities	183,791	57	(17,075)	166,773
Pass-through mortgage-backed securities ("MBS") issued by government sponsored entities ("GSEs")	272,774	—	(31,534)	241,240
Agency collateralized mortgage obligations ("CMOs")	331,394	2	(50,057)	281,339
State and municipal obligations	37,000	—	(3,021)	33,979
Total securities available-for-sale	$ 1,071,858	$ 59	$ (121,330)	$ 950,587

	December 31, 2022			
(In thousands)	Amortized Cost	Gross Unrecognized Gains	Gross Unrecognized Losses	Fair Value
Securities held-to-maturity:				
Agency notes	$ 89,157	$ —	$ (14,095)	$ 75,062
Corporate securities	9,000	—	(553)	8,447
Pass-through MBS issued by GSEs	278,281	—	(40,960)	237,321
Agency CMOs	209,360	—	(24,431)	184,929
Total securities held-to-maturity	$ 585,798	$ —	$ (80,039)	$ 505,759

There were no transfers to or from securities held-to-maturity during the three or six months ended June 30, 2023. During the six months ended June 30, 2022, the Company transferred securities with a book value of $400.0 million from available-for-sale to held-to-maturity. The transfers occurred at fair value totaling $372.2 million. The related unrealized losses of $27.8 million were converted to a discount that is being accreted through interest income on a level-yield method over the term of the securities, while the unrealized losses recorded in other comprehensive income are amortized out of other comprehensive income through interest income on a level-yield method over the remaining term of securities, with no net change to interest income. No gain or loss was recorded at the time of transfer. There were no transfers of securities held-to-maturity to securities available-for-sale during the six months ended June 30, 2022.

The carrying amount of securities pledged at June 30, 2023 and December 31, 2022 was $573.9 million and $631.4 million, respectively.

At June 30, 2023 and December 31, 2022, there were no holdings of securities of any one issuer, other than the U.S. Government and its agencies, in an amount greater than 10% of stockholders' equity.

The amortized cost and fair value of securities are shown by contractual maturity. Expected maturities may differ from contractual maturities if borrowers have the right to call or prepay obligations with or without call or prepayment penalties. Securities not due at a single maturity date are shown separately.

	June 30, 2023	
(In thousands)	Amortized Cost	Fair Value
Available-for-sale		
Within one year	$ 43,224	$ 41,505
One to five years	237,304	218,555
Five to ten years	177,248	146,540
Beyond ten years	—	—
Pass-through MBS issued by GSEs and agency CMO	570,497	488,256
Total	$ 1,028,273	$ 894,856
Held-to-maturity		
Within one year	$ —	$ —
One to five years	10,000	9,279
Five to ten years	88,359	74,456
Beyond ten years	—	—
Pass-through MBS issued by GSEs and agency CMO	505,601	436,334
Total	$ 603,960	$ 520,069

The following table presents the information related to sales of securities available-for-sale as of the periods indicated:

	Three Months Ended June 30,		Six Months Ended June 30,	
(In thousands)	2023	2022	2023	2022
Securities available-for-sale				
Proceeds	$ —	$ —	$ **77,804**	$ —
Gross gains	—	—	**130**	—
Tax expense on gains	—	—	**39**	—
Gross losses	—	—	**1,577**	—
Tax benefit on losses	—	—	**467**	—

There were no sales of securities held-to-maturity during the three or six months ended June 30, 2023 and 2022.

The following table summarizes the gross unrealized losses and fair value of securities available-for-sale aggregated by investment category and the length of time the securities were in a continuous unrealized loss position as of the dates indicated:

	June 30, 2023					
	Less than 12 Consecutive Months		12 Consecutive Months or Longer		Total	
(In thousands)	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses
Securities available-for-sale:						
Agency notes	**$ —**	**$ —**	**$ 9,145**	**$ 855**	**$ 9,145**	**$ 855**
Treasury securities	**—**	**—**	**228,607**	**17,785**	**228,607**	**17,785**
Corporate securities	**68,385**	**11,962**	**71,168**	**18,074**	**139,553**	**30,036**
Pass-through MBS issued by GSEs	**24,222**	**1,154**	**198,362**	**29,453**	**222,584**	**30,607**
Agency CMOs	**990**	**27**	**259,681**	**51,609**	**260,671**	**51,636**
State and municipal obligations	**1,970**	**79**	**26,824**	**2,421**	**28,794**	**2,500**

	December 31, 2022					
	Less than 12 Consecutive Months		12 Consecutive Months or Longer		Total	
(In thousands)	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses
Securities available-for-sale:						
Treasury securities	$ —	$ —	$ 227,256	$ 19,643	$ 227,256	$ 19,643
Corporate securities	110,707	8,494	50,116	8,581	160,823	17,075
Pass-through MBS issued by GSEs	50,813	2,010	190,427	29,524	241,240	31,534
Agency CMOs	55,924	3,454	220,413	46,603	276,337	50,057
State and municipal obligations	10,848	174	22,681	2,847	33,529	3,021

As of June 30, 2023, none of the Company's available-for-sale debt securities were in an unrealized loss position due to credit and therefore no allowance for credit losses on available-for-sale debt securities was required. Additionally, given the high-quality composition of the Company's held-to-maturity portfolio, the Company did not record an allowance for credit losses on the held-to-maturity portfolio. With respect to certain classes of debt securities, primarily U.S. Treasuries and securities issued by Government Sponsored Entities, the Company considers the history of credit losses, current conditions and reasonable and supportable forecasts, which may indicate that the expectation that nonpayment of the amortized cost basis is or continues to be zero, even if the U.S. government were to technically default. Accrued interest receivable on securities totaling $5.3 million and $5.4 million at June 30, 2023 and December 31, 2022, respectively, was included in other assets in the consolidated balance sheet and excluded from the amortized cost and estimated fair value totals in the table above.

Management evaluates available-for-sale debt securities in unrealized loss positions to determine whether the impairment is due to credit-related factors or noncredit-related factors. Consideration is given to (1) the extent to which the fair value is less than cost, (2) the financial condition and near-term prospects of the issuer, and (3) the intent and ability of the Company to retain its investment in the security for a period of time sufficient to allow for any anticipated recovery in fair value.

At June 30, 2023, substantially all of the securities in an unrealized loss position had a fixed interest rate and the cause of the temporary impairment was directly related to changes in interest rates. The Company generally views changes in fair value caused by changes in interest rates as temporary, which is consistent with its experience. The following major security types held by the Company are all issued by U.S. government entities and agencies and therefore either explicitly or implicitly guaranteed by the U.S. government: Agency Notes, Treasury Securities, Pass-through MBS issued by GSEs, Agency Collateralized Mortgage Obligations. Substantially all of the corporate bonds within the portfolio have maintained an investment grade rating by either Kroll, Egan-Jones, Fitch, Moody's or Standard and Poor's. None of the unrealized losses are related to credit quality of the issuer. Substantially all of the state and municipal obligations within the portfolio have all maintained an investment grade rating by either Moody's or Standard and Poor's. The Company does not have the intent to sell these securities and it is more likely than not that it will not be required to sell the securities before their anticipated recovery. The issuers continue to make timely principal and interest payments on the debt. The fair value is expected to recover as the securities approach maturity.

7. LOANS HELD FOR INVESTMENT, NET

The following table presents the loan categories for the period ended as indicated:

(In thousands)	June 30, 2023	December 31, 2022
Business loans [1]	**$ 2,250,108**	$ 2,211,857
One-to-four family residential and cooperative/condominium apartment	**855,980**	773,321
Multifamily residential and residential mixed-use	**4,132,358**	4,026,826
Non-owner-occupied commercial real estate	**3,406,232**	3,317,485
Acquisition, development, and construction ("ADC")	**225,580**	229,663
Other loans	**6,157**	7,679
Total	**10,876,415**	10,566,831
Allowance for credit losses	**(75,646)**	(83,507)
Loans held for investment, net	**$ 10,800,769**	$ 10,483,324

[1] Business loans include commercial and industrial loans, owner-occupied commercial real estate loans and PPP loans.

The following tables present data regarding the allowance for credit losses activity for the periods indicated:

	At or for the Three Months Ended June 30, 2023						
(In thousands)	Business Loans	One-to-Four Family Residential and Cooperative/ Condominium Apartment	Multifamily Residential and Residential Mixed-Use	Non-Owner-Occupied Commercial Real Estate	ADC	Other Loans	Total
Allowance for credit losses:							
Beginning balance	**$ 43,879**	**$ 6,012**	**$ 7,613**	**$ 18,076**	**$ 2,515**	**$ 240**	**$ 78,335**
(Credit) provision for credit losses	**(542)**	**421**	**577**	**364**	**43**	**127**	**990**
Charge-offs	**(3,745)**	**(14)**	**—**	**—**	**—**	**(33)**	**(3,792)**
Recoveries	**108**	**—**	**—**	**—**	**—**	**5**	**113**
Ending balance	**$ 39,700**	**$ 6,419**	**$ 8,190**	**$ 18,440**	**$ 2,558**	**$ 339**	**$ 75,646**

	At or for the Three Months Ended June 30, 2022						
(In thousands)	Business Loans	One-to-Four Family Residential and Cooperative/ Condominium Apartment	Multifamily Residential and Residential Mixed-Use	Non-Owner-Occupied Commercial Real Estate	ADC	Other Loans	Total
Allowance for credit losses:							
Beginning balance	$ 43,728	$ 4,528	$ 7,061	$ 19,180	$ 4,758	$ 360	$ 79,615
(Credit) provision for credit losses	2,009	(14)	(58)	(527)	(970)	(74)	366
Charge-offs	(645)	—	—	—	—	—	(645)
Recoveries	36	—	—	54	—	—	90
Ending balance	$ 45,128	$ 4,514	$ 7,003	$ 18,707	$ 3,788	$ 286	$ 79,426

(In thousands)	At or for the Six Months Ended June 30, 2023 Business Loans	One-to-Four Family Residential and Cooperative/ Condominium Apartment	Multifamily Residential and Residential Mixed-Use	Non-Owner-Occupied Commercial Real Estate	ADC	Other Loans	Total
Allowance for credit losses:							
Beginning balance	**$ 47,029**	**$ 5,969**	**$ 8,360**	**$ 20,153**	**$ 1,723**	**$ 273**	**$ 83,507**
Provision (recovery) for credit losses	**(2,150)**	**464**	**(170)**	**(1,713)**	**835**	**93**	**(2,641)**
Charge-offs	**(5,774)**	**(14)**	**—**	**—**	**—**	**(34)**	**(5,822)**
Recoveries	**595**	**—**	**—**	**—**	**—**	**7**	**602**
Ending balance	**$ 39,700**	**$ 6,419**	**$ 8,190**	**$ 18,440**	**$ 2,558**	**$ 339**	**$ 75,646**

(In thousands)	At or for the Six Months Ended June 30, 2022 Business Loans	One-to-Four Family Residential and Cooperative/ Condominium Apartment	Multifamily Residential and Residential Mixed-Use	Non-Owner-Occupied Commercial Real Estate	ADC	Other Loans	Total
Allowance for credit losses:							
Beginning balance	$ 62,366	$ 5,932	$ 7,816	$ 2,131	$ 4,857	$ 751	$ 83,853
(Recovery) provision for credit losses	(14,045)	(1,418)	(815)	16,522	(1,069)	(463)	(1,288)
Charge-offs	(3,280)	—	—	—	—	(3)	(3,283)
Recoveries	87	—	2	54	—	1	144
Ending balance	$ 45,128	$ 4,514	$ 7,003	$ 18,707	$ 3,788	$ 286	$ 79,426

The following tables present the amortized cost basis of loans on non-accrual status as of the periods indicated:

(In thousands)	June 30, 2023 Non-accrual with No Allowance	Non-accrual with Allowance	Reserve
Business loans	**$ 5,636**	**$ 17,834**	**$ 16,131**
One-to-four family residential and cooperative/condominium apartment	**—**	**3,305**	**149**
Multifamily residential and residential mixed-use	**—**	**—**	**—**
Non-owner-occupied commercial real estate	**—**	**15**	**15**
Acquisition, development, and construction	**—**	**657**	**305**
Other loans	**—**	**220**	**220**
Total	**$ 5,636**	**$ 22,031**	**$ 16,820**

(In thousands)	December 31, 2022 Non-accrual with No Allowance	Non-accrual with Allowance	Reserve
Business loans	$ 5,403	$ 22,384	$ 20,812
One-to-four family residential and cooperative/condominium apartment	—	3,203	181
Multifamily residential and residential mixed-use	—	—	—
Non-owner-occupied commercial real estate	15	2,476	1,297
Acquisition, development, and construction	657	—	—
Other loans	—	99	99
Total	$ 6,075	$ 28,162	$ 22,389

The Company did not recognize interest income on non-accrual loans held for investment during the three or six months ended June 30, 2023 and 2022.

The following tables summarize the past due status of the Company's investment in loans as of the dates indicated:

(In thousands)	June 30, 2023 30 to 59 Days Past Due	60 to 89 Days Past Due	Loans 90 Days or More Past Due and Still Accruing Interest	Non-accrual	Total Past Due and Non-accrual	Current	Total Loans
Business loans	$ 4,616	$ 6,963	$ —	$ 23,470	$ 35,049	$ 2,215,059	$ 2,250,108
One-to-four family residential, including condominium and cooperative apartment	1,409	1,178	—	3,305	5,892	850,088	855,980
Multifamily residential and residential mixed-use	6,465	—	—	—	6,465	4,125,893	4,132,358
Non-owner-occupied commercial real estate	3,834	—	—	15	3,849	3,402,383	3,406,232
Acquisition, development, and construction	—	—	—	657	657	224,923	225,580
Other	65	1	—	220	286	5,871	6,157
Total	$ 16,389	$ 8,142	$ —	$ 27,667	$ 52,198	$ 10,824,217	$ 10,876,415

(In thousands)	December 31, 2022 30 to 59 Days Past Due	60 to 89 Days Past Due	Loans 90 Days or More Past Due and Still Accruing Interest	Non-accrual	Total Past Due and Non-accrual	Current	Total Loans
Business loans	$ 5,861	$ 741	$ —	$ 27,787	$ 34,389	$ 2,177,468	$ 2,211,857
One-to-four family residential, including condominium and cooperative apartment	686	—	—	3,203	3,889	769,432	773,321
Multifamily residential and residential mixed-use	4,817	—	—	—	4,817	4,022,009	4,026,826
Non-owner-occupied commercial real estate	11,889	—	—	2,491	14,380	3,303,105	3,317,485
Acquisition, development, and construction	—	—	—	657	657	229,006	229,663
Other	264	1	—	99	364	7,315	7,679
Total	$ 23,517	$ 742	$ —	$ 34,237	$ 58,496	$ 10,508,335	$ 10,566,831

Accruing Loans 90 Days or More Past Due:

The Company did not have accruing loans 90 days or more past due as of June 30, 2023 or December 31, 2022.

Collateral Dependent Loans:

The Company had collateral dependent loans which were individually evaluated to determine expected credit losses as of the dates indicated:

(In thousands)	June 30, 2023 Real Estate Collateral Dependent	Associated Allowance for Credit Losses	December 31, 2022 Real Estate Collateral Dependent	Associated Allowance for Credit Losses
Business loans	$ 5,597	$ —	$ 5,849	$ —
One-to-four family residential, including condominium and cooperative apartment	—	—	—	—
Multifamily residential and residential mixed-use	—	—	—	—
Non-owner-occupied commercial real estate	—	—	2,491	1,297
Acquisition, development, and construction	657	305	657	—
Other	—	—	—	—
Total	$ 6,254	$ 305	$ 8,997	$ 1,297

Loan Restructurings

The Company adopted ASU No. 2022-02 on January 1, 2023, which eliminates the recognition and measurement of a TDR. Due to the removal of the TDR designation, the Company applies the loan refinancing and restructuring guidance to determine whether a modification or other form of restructuring results in a new loan or a continuation of an existing loan. Loan modifications to borrowers experiencing financial difficulty that result in a direct change in the timing or amount of contractual cash flows include conditions where there is principal forgiveness, interest rate reductions, other-than-insignificant payment delays, term extensions, and/or a combinations of these modifications. The disclosures related to loan restructuring are only for modifications that directly affect cash flows.

The following tables shows the amortized cost basis as of June 30, 2023 of the loans modified to borrowers experiencing financial difficulty, disaggregated by loan category and type of concession granted:

	For the Three Months Ended June 30, 2023					
(Dollars in thousands)	Term Extension	Significant Payment Delay	Term Extension and Significant Payment Delay	Significant Payment Delay and Interest Rate Reduction	Total	% of Total Class of Financing Receivable
Business loans	$ 132	$ —	$ 472	$ 276	$ 880	0.0
One-to-four family residential, including condominium and cooperative apartment	—	—	—	—	—	0.0
Multifamily residential and residential mixed-use	—	—	—	—	—	0.0
Non-owner-occupied commercial real estate	—	—	—	—	—	0.0
Acquisition, development, and construction	—	—	—	—	—	0.0
Other	—	—	—	—	—	0.0
Total	$ 132	$ —	$ 472	$ 276	$ 880	0.0 %

	For the Six Months Ended June 30, 2023					
(Dollars in thousands)	Term Extension	Significant Payment Delay	Term Extension and Significant Payment Delay	Significant Payment Delay and Interest Rate Reduction	Total	% of Total Class of Financing Receivable
Business loans	$ 132	$ —	$ 472	$ 276	$ 880	0.0 %
One-to-four family residential, including condominium and cooperative apartment	—	2,852	—	—	2,852	0.3
Multifamily residential and residential mixed-use	—	—	—	—	—	0.0
Non-owner-occupied commercial real estate	—	—	—	—	—	0.0
Acquisition, development, and construction	—	—	—	—	—	0.0
Other	—	—	—	—	—	0.0
Total	$ 132	$ 2,852	$ 472	$ 276	$ 3,732	0.0 %

The following tables describes the financial effect of the modifications made to borrowers experiencing financial difficulty:

	For the Three Months Ended June 30, 2023		
(Dollars in thousands)	Weighted Average Interest Rate Reductions	Weighted Average Months of Term Extensions	Weighted Average Payment Delay or Principal Forgiveness
Business loans	4.25 %	$ 16	$ 11
One-to-four family residential, including condominium and cooperative apartment	—	—	—
Multifamily residential and residential mixed-use	—	—	—
Non-owner-occupied commercial real estate	—	—	—
Acquisition, development, and construction	—	—	—
Other loans	—	—	—
Total	4.25 %	$ 16	$ 11

(Dollars in thousands)	For the Six Months Ended June 30, 2023 Weighted Average Interest Rate Reductions	Weighted Average Months of Term Extensions	Weighted Average Payment Delay or Principal Forgiveness
Business loans	4.25 %	$ 21	$ 17
One-to-four family residential, including condominium and cooperative apartment	—	—	72
Multifamily residential and residential mixed-use	—	—	—
Non-owner-occupied commercial real estate	—	—	—
Acquisition, development, and construction	—	—	—
Other loans	—	—	—
Total	**4.25 %**	**$ 21**	**$ 89**

The Bank monitors the performance of loans modified to borrowers experiencing financial difficulty to understand the effectiveness of its modification efforts. The following table describes the performance of loans that have been modified during the six months ended June 30, 2023.

	June 30, 2023					
(Dollars in thousands)	Current	30-59 Days Past Due	60-89 Days Past Due	90+ Days Past Due	Non-Accrual	Total
Business loans	$ —	$ —	$ —	$ —	$ 880	$ 880
One-to-four family residential, including condominium and cooperative apartment	2,852	—	—	—	—	2,852
Multifamily residential and residential mixed-use	—	—	—	—	—	—
Non-owner-occupied commercial real estate	—	—	—	—	—	—
Acquisition, development, and construction	—	—	—	—	—	—
Other loans	—	—	—	—	—	—
Total	**$ 2,852**	**$ —**	**$ —**	**$ —**	**$ 880**	**$ 3,732**

There were no loans made to borrowers experiencing financial difficulty that were modified during the three months ended June 30, 2023, and that subsequently defaulted. For the purposes of this disclosure, a payment default is defined as 90 or more days past due and still accruing. Non-accrual loans that are modified to borrowers experiencing financial difficulty remain on non-accrual status until the borrower has demonstrated performance under the modified terms.

Prior to our adoption of ASU 2022-02, as of December 31, 2022, the Company had TDRs totaling $22.1 million. The Company has allocated $9.1 million of allowance for those loans at December 31, 2022, with no commitments to lend additional amounts.

The following table presents the loans by category modified as TDRs that occurred during the year ended December 31, 2022.

	Modifications During the Year Ended December 31, 2022		
(Dollars in thousands)	Number of Loans	Pre-Modification Outstanding Recorded Investment	Post-Modification Outstanding Recorded Investment
Business loans	7	$ 21,934	$ 21,938
One-to-four family residential, including condominium and cooperative apartment	2	762	762
Multifamily residential and residential mixed-use	—	—	—
Non-owner-occupied commercial real estate	1	991	991
Acquisition, development, and construction	1	13,500	13,500
Other	1	276	276
Total	12	$ 37,463	$ 37,467

Credit Quality Indicators

The Company categorizes loans into risk categories based on relevant information about the ability of borrowers to service their debt such as: current financial information, historical payment experience, credit structure, loan documentation, public information, and current economic trends, among other factors. The Company analyzes loans individually by classifying them based on credit risk. The Company uses the following definitions for risk ratings:

Special Mention. Loans classified as special mention have a potential weakness that deserves management's close attention. If left uncorrected, these potential weaknesses may result in deterioration of the repayment prospects for the loan or of the Bank's credit position at some future date.

Substandard. Loans classified as substandard are inadequately protected by the current net worth and paying capacity of the obligor or of the collateral pledged, if any. Loans so classified have a well-defined weakness or weaknesses that jeopardize the liquidation of the debt. They are characterized by the distinct possibility that the Bank will sustain some loss if the deficiencies are not corrected.

Doubtful. Loans classified as doubtful have all the weaknesses inherent in those classified as substandard, with the added characteristic that the weaknesses make collection or liquidation in full, on the basis of then existing facts, conditions, and values, highly questionable and improbable.

The following is a summary of the credit risk profile of loans by internally assigned grade as of the periods indicated, the years represent the year of origination for non-revolving loans:

	June 30, 2023								
(In thousands)	2023	2022	2021	2020	2019	2018 and Prior	Revolving	Revolving-Term	Total
Business loans									
Pass	$ 149,897	$ 443,880	$ 216,423	$ 175,305	$ 160,702	$ 325,188	$ 626,364	$ 42,465	$ 2,140,224
Special mention	528	3,284	1,316	1,430	1,317	13,447	10,849	8,946	41,117
Substandard	52	898	396	8,339	3,593	30,410	8,637	7,303	59,628
Doubtful	—	—	—	—	8,332	807	—	—	9,139
Total business loans	150,477	448,062	218,135	185,074	173,944	369,852	645,850	58,714	2,250,108
YTD Gross Charge-Offs	—	—	—	38	—	1,991	434	3,311	5,774
One-to-four family residential, and condominium/cooperative apartment:									
Pass	112,062	221,019	104,481	71,297	64,080	219,848	33,626	13,387	839,800
Special mention	—	—	—	—	—	761	159	715	1,635
Substandard	—	—	—	1,015	1,219	11,518	—	793	14,545
Doubtful	—	—	—	—	—	—	—	—	—
Total one-to-four family residential, and condominium/cooperative apartment	112,062	221,019	104,481	72,312	65,299	232,127	33,785	14,895	855,980
YTD Gross Charge-Offs	—	—	—	—	—	—	—	14	14
Multifamily residential and residential mixed-use:									
Pass	209,997	1,372,631	593,917	292,798	395,000	1,128,010	12,229	4,465	4,009,047
Special mention	—	—	4,246	18,194	14,088	30,723	—	—	67,251
Substandard	—	—	—	10,711	—	45,349	—	—	56,060
Doubtful	—	—	—	—	—	—	—	—	—
Total multifamily residential and residential mixed-use	209,997	1,372,631	598,163	321,703	409,088	1,204,082	12,229	4,465	4,132,358
YTD Gross Charge-Offs	—	—	—	—	—	—	—	—	—
Non-owner-occupied commercial real estate									
Pass	193,516	730,726	665,019	480,519	361,052	824,040	11,632	8,040	3,274,544
Special mention	—	—	—	78,319	4,608	9,676	—	—	92,603
Substandard	—	—	15	25,756	6,343	6,971	—	—	39,085
Doubtful	—	—	—	—	—	—	—	—	—
Total non-owner-occupied commercial real estate	193,516	730,726	665,034	584,594	372,003	840,687	11,632	8,040	3,406,232
YTD Gross Charge-Offs	—	—	—	—	—	—	—	—	—
Acquisition, development, and construction									
Pass	—	46,952	134,396	7,647	15,718	552	19,408	250	224,923
Special mention	—	—	—	—	—	—	—	—	—
Substandard	—	—	657	—	—	—	—	—	657
Doubtful	—	—	—	—	—	—	—	—	—
Total acquisition, development, and construction	—	46,952	135,053	7,647	15,718	552	19,408	250	225,580
YTD Gross Charge-Offs	—	—	—	—	—	—	—	—	—
Total:									
Pass	665,472	2,815,208	1,714,236	1,027,566	996,552	2,497,638	703,259	68,607	10,488,538
Special mention	528	3,284	5,562	97,943	20,013	54,607	11,008	9,661	202,606
Substandard	52	898	1,068	45,821	11,155	94,248	8,637	8,096	169,975
Doubtful	—	—	—	—	8,332	807	—	—	9,139
Total Loans	$ 666,052	$ 2,819,390	$ 1,720,866	$ 1,171,330	$ 1,036,052	$ 2,647,300	$ 722,904	$ 86,364	$ 10,870,258
YTD Gross Charge-Offs	$ —	$ —	$ —	$ 38	$ —	$ 1,991	$ 434	$ 3,325	$ 5,788

	December 31, 2022								
(In thousands)	2022	2021	2020	2019	2018	2017 and Prior	Revolving	Revolving-Term	Total
Business loans									
Pass	$ 449,699	$ 228,143	$ 187,522	$ 173,527	$ 130,576	$ 240,131	$ 650,960	$ 43,552	$ 2,104,110
Special mention	6,634	-	894	1,529	15,893	4,213	9,062	478	38,703
Substandard	5,242	1,380	8,843	4,706	2,101	14,938	11,290	9,412	57,912
Doubtful	—	—	—	8,332	752	2,048	—	—	11,132
Total business loans	461,575	229,523	197,259	188,094	149,322	261,330	671,312	53,442	2,211,857
YTD Gross Charge-Offs	—	477	4,720	2,088	—	2,414	1,460	242	11,401
One-to-four family residential, and condominium/cooperative apartment:									
Pass	225,031	108,185	72,732	65,515	66,038	164,338	41,172	12,563	755,574
Special mention	—	—	—	—	735	1,175	579	726	3,215
Substandard	—	—	1,026	1,227	407	10,779	—	1,093	14,532
Doubtful	—	—	—	—	—	—	—	—	—
Total one-to-four family residential, and condominium/cooperative apartment	225,031	108,185	73,758	66,742	67,180	176,292	41,751	14,382	773,321
YTD Gross Charge-Offs	—	—	—	—	—	—	—	—	—
Multifamily residential and residential mixed-use:									
Pass	1,386,549	582,393	316,424	395,933	127,074	1,107,281	12,584	—	3,928,238
Special mention	—	—	—	11,183	—	14,168	—	—	25,351
Substandard	—	—	12,294	7,001	20,311	33,631	—	—	73,237
Doubtful	—	—	—	—	—	—	—	—	—
Total multifamily residential and residential mixed-use	1,386,549	582,393	328,718	414,117	147,385	1,155,080	12,584	—	4,026,826
YTD Gross Charge-Offs	—	—	—	—	—	—	—	—	—
Non-owner-occupied commercial real estate									
Pass	747,272	662,608	608,133	373,835	198,317	661,311	11,963	3,453	3,266,892
Special mention	—	—	19,655	4,652	—	12,108	—	—	36,415
Substandard	—	15	1,070	6,209	—	6,884	—	—	14,178
Doubtful	—	—	—	—	—	—	—	—	—
Total non-owner-occupied commercial real estate	747,272	662,623	628,858	384,696	198,317	680,303	11,963	3,453	3,317,485
YTD Gross Charge-Offs	—	—	—	—	—	—	—	—	—
Acquisition, development, and construction									
Pass	36,877	152,543	11,242	15,943	—	2,087	10,033	281	229,006
Special mention	—	—	—	—	—	—	—	—	—
Substandard	—	657	—	—	—	—	—	—	657
Doubtful	—	—	—	—	—	—	—	—	—
Total acquisition, development, and construction	36,877	153,200	11,242	15,943	—	2,087	10,033	281	229,663
YTD Gross Charge-Offs	—	—	—	—	—	—	—	—	—
Total:									
Pass	2,845,428	1,733,872	1,196,053	1,024,753	522,005	2,175,148	726,712	59,849	10,283,820
Special mention	6,634	—	20,549	17,364	16,628	31,664	9,641	1,204	103,684
Substandard	5,242	2,052	23,233	19,143	22,819	66,232	11,290	10,505	160,516
Doubtful	—	—	—	8,332	752	2,048	—	—	11,132
Total Loans	$ 2,857,304	$ 1,735,924	$ 1,239,835	$ 1,069,592	$ 562,204	$ 2,275,092	$ 747,643	$ 71,558	$ 10,559,152
YTD Gross Charge-Offs	$ —	$ 477	$ 4,720	$ 2,088	$ —	$ 2,414	$ 1,460	$ 242	$ 11,401

For other loans, the Company evaluates credit quality based on payment activity. Other loans that are 90 days or more past due are placed on non-accrual status, while all remaining other loans are classified and evaluated as performing. The following is a summary of the credit risk profile of other loans by internally assigned grade:

(In thousands)	**June 30, 2023**	December 31, 2022
Performing	**$ 5,937**	$ 7,580
Non-accrual	**220**	99
Total	**$ 6,157**	$ 7,679

8. LEASES

Maturities of the Company's operating lease liabilities at June 30, 2023 are as follows:

(In thousands)		Rent to be Capitalized
2023	$	6,105
2024		12,238
2025		12,039
2026		11,356
2027		9,375
Thereafter		10,047
Total undiscounted lease payments		61,160
Less amounts representing interest		(3,613)
Operating lease liabilities	$	57,547

Other information related to the Company's operating leases was as follows:

	Three Months Ended June 30,				Six Months Ended June 30,			
(In thousands)		**2023**		2022		**2023**		2022
Operating lease cost	**$**	**3,152**	$	3,271	**$**	**6,293**	$	6,533
Cash paid for amounts included in the measurement of operating lease liabilities		**3,088**		3,055		**6,159**		5,979

	June 30, 2023	December 31, 2022
Weighted average remaining lease term	**5.4 years**	5.9 years
Weighted average discount rate	**2.15 %**	2.03 %

9. DERIVATIVES AND HEDGING ACTIVITIES

The Company is exposed to certain risks arising from both its business operations and economic conditions. The Company principally manages its exposures to a wide variety of business and operational risks through management of its core business activities. The Company manages economic risks, including interest rate, liquidity, and credit risk primarily by managing the amount, sources, and duration of its assets and liabilities and the use of derivative financial instruments. Specifically, the Company enters into derivative financial instruments to manage exposures that arise from business activities that result in the receipt or payment of future known and uncertain cash amounts, the value of which are determined by interest rates. The Company's derivative financial instruments are used to manage differences in the amount, timing, and duration of the Company's known or expected cash receipts and its known or expected cash payments principally related to the Company's loan portfolio.

The Company's objectives in using interest rate derivatives are to add stability to interest expense and to manage its exposure to interest rate movements. To accomplish this objective, the Company primarily uses interest rate swaps as part of its interest rate risk management strategy. The Company engages in both cash flow hedges and freestanding derivatives.

Cash Flow Hedges

Cash flow hedges involve the receipt of variable amounts from a counterparty in exchange for the Company making fixed-rate payments over the life of the agreements without exchange of the underlying notional amount. The Company uses these types of derivatives to hedge the variable cash flows associated with existing or forecasted issuances of short-term borrowings.

For derivatives designated and that qualify as cash flow hedges of interest rate risk, the gain or loss on the derivative is recorded in accumulated other comprehensive income (loss) and subsequently reclassified into interest expense in the same periods during which the hedged transaction affects earnings. Amounts reported in accumulated other comprehensive income related to derivatives will be reclassified to interest expense as interest payments are made on the Company's debt. During the next twelve months, the Company estimates that an additional $7.1 million will be reclassified as a decrease to interest expense.

During the three and six months ended June 30, 2023, the Company did not terminate any derivatives. During the three and six months ended June 30, 2022, the Company did not terminate any derivatives.

The table below presents the fair value of the Company's derivative financial instruments as well as their classification on the consolidated statements of financial condition as of the dates indicated.

	June 30, 2023				December 31, 2022			
(Dollars in thousands)	Count	Notional Amount	Fair Value Assets	Fair Value Liabilities	Count	Notional Amount	Fair Value Assets	Fair Value Liabilities
Included in derivative assets/(liabilities):								
Interest rate swaps related to FHLBNY advances	**4**	**$ 150,000**	**$ 16,611**	**$ —**	4	$ 150,000	$ 17,150	$ —

The table below presents the effect of the cash flow hedge accounting on accumulated other comprehensive income (loss) for the periods indicated:

	Three Months Ended June 30,		Six Months Ended June 30,	
(In thousands)	2023	2022	2023	2022
Gain (loss) recognized in other comprehensive income (loss)	**$ 1,586**	$ 2,309	**$ (525)**	$ 9,161
(Loss) gain reclassified from other comprehensive income into interest expense	**(299)**	54	**14**	23

All cash flow hedges are recorded gross on the balance sheet.

The cash flow hedges involve derivative agreements with third-party counterparties that contain provisions requiring the Company to post cash collateral if the derivative exposure exceeds a threshold amount and receive collateral for agreements in a net asset position. As of June 30, 2023 and December 31, 2022, the Company did not post collateral to the third-party counterparties. As of June 30, 2023, the Company received $17.5 million in collateral from its third-party counterparties under the agreements in a net asset position. As of December 31, 2022, the Company received $17.8 million in collateral from its third-party counterparties.

Freestanding Derivatives

The Company maintains an interest-rate risk protection program for its loan portfolio in order to offer loan level derivatives with certain borrowers and to generate loan level derivative income. The Company enters into interest rate swap or interest rate floor agreements with borrowers. These interest rate derivatives are designed such that the borrower synthetically attains a fixed-rate loan, while the Company receives floating rate loan payments. The Company offsets the loan level interest rate swap exposure by entering into an offsetting interest rate swap or interest rate floor with an unaffiliated and reputable bank counterparty. These interest rate derivatives do not qualify as designated hedges, under ASU 815; therefore, each interest rate derivative is accounted for as a freestanding derivative. The notional amounts of the interest rate derivatives do not represent amounts exchanged by the parties. The amount exchanged is determined by reference to the notional amount and the other terms of the individual interest rate derivative agreements. The following tables reflect freestanding derivatives included in the consolidated statements of financial condition as of the dates indicated:

	June 30, 2023			
(In thousands)	Count	Notional Amount	Fair Value Assets	Fair Value Liabilities
Included in derivative assets/(liabilities):				
Loan level interest rate swaps with borrower	**23**	**$ 275,552**	**$ 4,874**	**$ —**
Loan level interest rate swaps with borrower	**194**	**1,268,977**	**—**	**122,618**
Loan level interest rate floors with borrower	**33**	**226,257**	**—**	**3,637**
Loan level interest rate swaps with third-party counterparties	**23**	**275,552**	**—**	**4,874**
Loan level interest rate swaps with third-party counterparties	**194**	**1,268,977**	**122,618**	**—**
Loan level interest rate floors with third-party counterparties	**33**	**226,257**	**3,637**	**—**

	December 31, 2022			
(In thousands)	Count	Notional Amount	Fair Value Assets	Fair Value Liabilities
Included in derivative assets/(liabilities):				
Loan level interest rate swaps with borrower	3	$ 53,311	$ 1,524	$ —
Loan level interest rate swaps with borrower	185	1,214,736	—	126,751
Loan level interest rate floors with borrower	40	326,309	—	9,060
Loan level interest rate swaps with third-party counterparties	3	53,311	—	1,524
Loan level interest rate swaps with third-party counterparties	185	1,214,736	126,751	—
Loan level interest rate floors with third-party counterparties	40	326,309	9,060	—

Loan level derivative income is recognized on the mark-to-market of the interest rate swap as a fair value adjustment at the time the transaction is closed. Total loan level derivative income is included in non-interest income as follows:

	Three Months Ended June 30,		Six Months Ended June 30,	
(In thousands)	2023	2022	2023	2022
Loan level derivative income	**$ 2,437**	$ 1,685	**$ 5,570**	$ 1,691

The interest rate swap product with the borrower is cross collateralized with the underlying loan and, therefore, there is no posted collateral. Certain interest rate swap agreements with third-party counterparties contain provisions that require the Company to post collateral if the derivative exposure exceeds a threshold amount and receive collateral for agreements in a net asset position. As of June 30, 2023 and December 31, 2022, the Company did not post collateral to its third-party counterparties. As of June 30, 2023, the Company received $122.7 million in collateral from its third-party counterparties under the agreements in a net asset position. As of December 31, 2022, the Company received $135.3 million in collateral from its third-party counterparties under the agreements in a net asset position.

Risk Participation Agreements

The Company enters into risk participation agreements to manage economic risks but does not designate the instruments in hedge relationships. As of June 30, 2023 and December 31, 2022, the notional amounts of risk participation agreements for derivative liabilities were $94.1 million and $71.1 million, respectively. The related fair values of the Company's risk participation agreements were immaterial as of June 30, 2023 and December 31, 2022.

Credit Risk Related Contingent Features

The Company's agreements with each of its derivative counterparties state that if the Company defaults on any of its indebtedness, it could also be declared in default on its derivative obligations and could be required to terminate its derivative positions with the counterparty.

The Company’s agreements with certain of its derivative counterparties state that if the Bank fails to maintain its status as a well-capitalized institution, the Bank could be required to terminate its derivative positions with the counterparty.

For derivatives in a net liability position, which includes accrued interest but excludes any adjustment for nonperformance risk, any breach of the above provisions by the Company may require settlement of its obligations under the agreements at the termination value with the respective counterparty. As of June 30, 2023, there were no derivatives in a net liability position, and therefore the termination value was zero. There were no provisions breached for the three or six months ended June 30, 2023.

10. FAIR VALUE OF FINANCIAL INSTRUMENTS

Fair value is the exchange price that would be received for an asset or paid to transfer a liability (exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. There are three levels of inputs that may be used to measure fair values:

Level 1 Inputs – Quoted prices (unadjusted) for identical assets or liabilities in active markets that the reporting entity has the ability to access at the measurement date.

Level 2 Inputs – Significant other observable inputs such as any of the following: (1) quoted prices for similar assets or liabilities in active markets, (2) quoted prices for identical or similar assets or liabilities in markets that are not active, (3) inputs other than quoted prices that are observable for the asset or liability (*e.g.*, interest rates and yield curves observable at commonly quoted intervals, volatilities, prepayment speeds, loss severities, credit risks, and default rates), or (4) inputs that are derived principally from or corroborated by observable market data by correlation or other means (market-corroborated inputs).

Level 3 Inputs – Significant unobservable inputs for the asset or liability. Significant unobservable inputs reflect the reporting entity’s own assumptions about the assumptions that market participants would use in pricing the asset or liability (including assumptions about risk). Significant unobservable inputs shall be used to measure fair value to the extent that observable inputs are not available, thereby allowing for situations in which there is little, if any, market activity for the asset or liability at the measurement date.

Assets and Liabilities Measured at Fair Value on a Recurring Basis

Securities

The Company’s available-for-sale securities are reported at fair value, which were determined utilizing prices obtained from independent parties. The valuations obtained are based upon market data, and often utilize evaluated pricing models that vary by asset and incorporate available trade, bid and other market information. For securities that do not trade on a daily basis, pricing applications apply available information such as benchmarking and matrix pricing. The market inputs normally sought in the evaluation of securities include benchmark yields, reported trades, broker/dealer quotes (obtained only from market makers or broker/dealers recognized as market participants), issuer spreads, two-sided markets, benchmark securities, bids, offers and reference data. For certain securities, additional inputs may be used or some market inputs may not be applicable. Prioritization of inputs may vary on any given day based on market conditions.

All MBS, CMOs, treasury securities, and agency notes are guaranteed either implicitly or explicitly by GSEs as of June 30, 2023 and December 31, 2022. In accordance with the Company’s investment policy, corporate securities are rated "investment grade" at the time of purchase and the financials of the issuers are reviewed quarterly. Obtaining market values as of June 30, 2023 and December 31, 2022 for these securities utilizing significant observable inputs was not difficult due to their liquid nature.

Derivatives

Derivatives represent interest rate swaps and estimated fair values are based on valuation models using observable market data as of the measurement date.

The following tables present financial assets and liabilities measured at fair value on a recurring basis as of the dates indicated, segmented by level within the fair value hierarchy. Financial assets and liabilities are classified in their entirety based on the lowest level of input that is significant to the fair value measurement.

		Fair Value Measurements at June 30, 2023 Using		
(In thousands)	Total	Level 1 Inputs	Level 2 Inputs	Level 3 Inputs
Financial Assets:				
Securities available-for-sale:				
Agency notes	**$ 9,145**	**$ —**	**$ 9,145**	**$ —**
Treasury securities	**228,607**	**—**	**228,607**	**—**
Corporate securities	**139,553**	**—**	**139,553**	**—**
Pass-through MBS issued by GSEs	**222,584**	**—**	**222,584**	**—**
Agency CMOs	**265,673**	**—**	**265,673**	**—**
State and municipal obligations	**29,294**	**—**	**29,294**	**—**
Derivative – cash flow hedges	**16,611**	**—**	**16,611**	**—**
Derivative – freestanding derivatives, net	**131,130**	**—**	**131,130**	**—**
Financial Liabilities:				
Derivative – freestanding derivatives, net	**131,130**	**—**	**131,130**	**—**

		Fair Value Measurements at December 31, 2022 Using		
(In thousands)	Total	Level 1 Inputs	Level 2 Inputs	Level 3 Inputs
Financial Assets:				
Securities available-for-sale:				
Treasury securities	$ 227,256	$ —	$ 227,256	$ —
Corporate securities	166,773	—	166,773	—
Pass-through MBS issued by GSEs	241,240	—	241,240	—
Agency CMOs	281,339	—	281,339	—
State and municipal obligations	33,979	—	33,979	—
Derivative – cash flow hedges	17,150	—	17,150	—
Derivative – freestanding derivatives, net	137,335	—	137,335	—
Financial Liabilities:				
Derivative – freestanding derivatives, net	137,335	—	137,335	—

Assets and Liabilities Measured at Fair Value on a Non-recurring Basis

Certain financial assets and financial liabilities are measured at fair value on a non-recurring basis. That is, they are subject to fair value adjustments in certain circumstances. Financial assets measured at fair value on a non-recurring basis include certain individually evaluated loans (or impaired loans prior to the adoption of ASC 326) reported at the fair value of the underlying collateral if repayment is expected solely from the collateral.

	June 30, 2023			
		Fair Value Measurements Using:		
(In thousands)	**Carrying Value**	**Quoted Prices In Active Markets for Identical Assets (Level 1)**	**Significant Other Observable Inputs (Level 2)**	**Significant Unobservable Inputs (Level 3)**
Individually evaluated loans	**$ 352**	**$ —**	**$ —**	**$ 352**

	December 31, 2022			
		Fair Value Measurements Using:		
(In thousands)	Carrying Value	Quoted Prices In Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Individually evaluated loans	$ 1,179	$ —	$ —	$ 1,179

Individually evaluated loans with an allowance for credit losses at June 30, 2023 had a carrying amount of $352 thousand, which is made up of the outstanding balance of $657 thousand, net of a valuation allowance of $305 thousand. Collateral dependent individually analyzed loans resulted in a credit loss recovery of $860 thousand for the three months ended June 30, 2023 and a credit loss recovery of $555 thousand for the six months ended June 30, 2023, which is included in the amounts reported in the consolidated statements of income.

Individually evaluated loans with an allowance for credit losses at December 31, 2022 had a carrying amount of $1.2 million, which is made up of the outstanding balance of $2.5 million, net of a valuation allowance of $1.3 million.

Financial Instruments Not Measured at Fair Value

The following tables present the carrying amounts and estimated fair values of financial instruments other than those measured at fair value on either a recurring or nonrecurring basis for the dates indicated, segmented by level within the fair value hierarchy. Financial assets and liabilities are classified in their entirety based on the lowest level of input that is significant to the fair value measurement.

		Fair Value Measurements at June 30, 2023 Using			
(In thousands)	Carrying Amount	Level 1 Inputs	Level 2 Inputs	Level 3 Inputs	Total
Financial Assets:					
Cash and due from banks	**$ 452,504**	**$ 452,504**	**$ —**	**$ —**	**$ 452,504**
Securities held-to-maturity	**603,960**	**—**	**520,069**	**—**	**520,069**
Loans held for investment, net	**10,800,417**	**—**	**—**	**10,245,728**	**10,245,728**
Accrued interest receivable	**51,787**	**—**	**6,205**	**45,582**	**51,787**
Financial Liabilities:					
Savings, money market and checking accounts [1]	**8,991,943**	**8,991,943**	**—**	**—**	**8,991,943**
Certificates of Deposits ("CDs")	**1,530,749**	**—**	**1,522,515**	**—**	**1,522,515**
FHLBNY advances	**1,448,000**	**—**	**1,444,184**	**—**	**1,444,184**
Subordinated debt, net	**200,240**	**—**	**158,240**	**—**	**158,240**
Accrued interest payable	**18,098**	**—**	**18,098**	**—**	**18,098**

[1] Includes mortgage escrow deposits.

(In thousands)	Carrying Amount	Fair Value Measurements at December 31, 2022 Using Level 1 Inputs	Level 2 Inputs	Level 3 Inputs	Total
Financial Assets:					
Cash and due from banks	$ 169,297	$ 169,297	$ —	$ —	$ 169,297
Securities held-to-maturity	585,798	—	505,759	—	505,759
Loans held for investment, net	10,482,145	—	—	10,005,121	10,005,121
Accrued interest receivable	48,561	—	6,105	42,456	48,561
Financial Liabilities:					
Savings, money market and checking accounts [1]	9,139,043	9,139,043	—	—	9,139,043
Certificates of Deposits ("CDs")	1,115,364	—	1,096,808	—	1,096,808
FHLBNY advances	1,131,000	—	1,131,217	—	1,131,217
Subordinated debt, net	200,283	—	180,583	—	180,583
Other short-term borrowings	1,360	1,360	—	—	1,360
Accrued interest payable	5,323	—	5,323	—	5,323

[1] Includes mortgage escrow deposits.

11. OTHER INTANGIBLE ASSETS

The following table presents the carrying amount and accumulated amortization of intangible assets that are amortizable.

(In thousands)	June 30, 2023 Core Deposit Intangibles	June 30, 2023 Non-compete Agreement	June 30, 2023 Total	December 31, 2022 Core Deposit Intangibles	December 31, 2022 Non-compete Agreement	December 31, 2022 Total
Gross carrying value	**$ 10,204**	**$ 780**	**$ 10,984**	$ 10,204	$ 780	$ 10,984
Accumulated amortization	**(4,446)**	**(780)**	**(5,226)**	(3,720)	(780)	(4,500)
Net carrying amount	**$ 5,758**	**$ —**	**$ 5,758**	$ 6,484	$ —	$ 6,484

Amortization expense recognized on intangible assets was $349 thousand and $726 thousand for the three and six months ended June 30, 2023. Amortization expense recognized on intangible assets was $430 thousand and $1.0 million for the three and six months ended June 30, 2022.

Estimated amortization expense for the remainder of 2023 through 2027 and thereafter is as follows:

(In thousands)	Total
2023	$ 699
2024	1,163
2025	958
2026	795
2027	664
Thereafter	1,479
Total	$ 5,758

12. FHLBNY ADVANCES

The Bank had borrowings from the FHLBNY ("Advances") totaling $1.45 billion and $1.13 billion at June 30, 2023 and December 31, 2022, respectively, all of which were fixed rate. The average interest rate on outstanding FHLBNY Advances was 5.14% and 4.55% at June 30, 2023 and December 31, 2022, respectively. In accordance with its Advances, Collateral Pledge and Security Agreement with the FHLBNY, the Bank was eligible to borrow an additional $4.14 billion as of June 30, 2023 and $4.13 billion as of December 31, 2022, and maintained sufficient qualifying collateral, as defined by the FHLBNY. At June 30, 2023 there were no callable Advances.

The Company did not have extinguishment of debt during the three or six months ended June 30, 2023 or 2022.

The following tables present the contractual maturities and weighted average interest rates of FHLBNY advances for each of the next five years. There were $175.0 million FHLBNY advances with an overnight contractual maturity at June 30, 2023, and no FHLBNY advances with an overnight contractual maturity at December 31, 2022. As of June 30, 2023 there were $575.0 million of FHLBNY advances with contractual maturities during 2023 and $698.0 million of FHLBNY advances with contractual maturities after 2023. As of December 31, 2022, there were $1.10 billion of FHLBNY advances with contractual maturities during 2023 and $36.0 million of FHLBNY advances with contractual maturities after 2022:

	June 30, 2023	
(Dollars in thousands)		Weighted
Contractual Maturity	**Amount**	**Average Rate**
Overnight, fixed rate at 5.31%	**$ 175,000**	**5.31 %**
2023, fixed rate at rates from 5.18% to 5.64%	**575,000**	**5.32**
2024, fixed rate at rates from 4.85% to 5.16%	**650,000**	**5.00**
2027, fixed rate at 4.25%	**36,000**	**4.25**
2028, fixed rate at 4.04%	**12,000**	**4.04**
Total FHLBNY advances	**$ 1,448,000**	**5.14 %**

	December 31, 2022	
(Dollars in thousands)		Weighted
Contractual Maturity	Amount	Average Rate
2023, fixed rate at rates from 3.85% to 4.75%	$ 1,095,000	4.56 %
2027, fixed rate at 4.25%	36,000	4.25
Total FHLBNY advances	$ 1,131,000	4.55 %

13. SUBORDINATED DEBENTURES

On May 6, 2022, the Company issued $160.0 million aggregate principal amount of fixed-to-floating rate subordinated notes due 2032 (“the Notes”). The Notes are callable at par after five years, have a stated maturity of May 15, 2032 and bear interest at a fixed annual rate of 5.00% per year, payable semi-annually in arrears on May 15 and November 15 of each year, commencing on November 15, 2022. The last interest payment for the fixed rate period will be May 15, 2027. From and including May 15, 2027 to, but excluding the maturity date or early redemption date, the interest rate will reset quarterly to an annual interest rate equal to the benchmark rate (which is expected to be Three-Month Term SOFR) plus 218-basis points, payable quarterly in arrears on February 15, May 15, August 15 and November 15 of each year, commencing on August 15, 2027.

The Company used the net proceeds of the offering for the repayment of $115.0 million of the Company’s 4.50% fixed-to-floating rate subordinated notes due 2027 on June 15, 2022, and $40.0 million of the Company’s 5.25% fixed-to-floating rate subordinated debentures due 2025 on June 30, 2022. The repayment of the subordinated notes due 2027 resulted in a pre-tax write-off of debt issuance costs of $740 thousand, which was recognized in loss on extinguishment of debt in non-interest expense.

The subordinated debentures totaled $200.2 million at June 30, 2023 and $200.3 million at December 31, 2022. Interest expense related to the subordinated debentures was $2.6 million and $3.3 million during the three months ended June 30, 2023 and 2022, respectively. Interest expense related to the subordinated debentures was $5.1 million and $5.5 million during the six months ended June 30, 2023 and 2022, respectively. The subordinated debentures are included in tier 2 capital (with certain limitations applicable) under current regulatory guidelines and interpretations.

14. RETIREMENT AND POSTRETIREMENT PLANS

The Bank maintains two noncontributory pension plans that existed before the Merger: (i) the Retirement Plan of Dime Community Bank ("Employee Retirement Plan") and (ii) the BNB Bank Pension Plan, covering all eligible employees.

Employee Retirement Plan

The Bank sponsors the Employee Retirement Plan, a tax-qualified, noncontributory, defined-benefit retirement plan. Prior to April 1, 2000, substantially all full-time employees of at least 21 years of age were eligible for participation after one year of service. Effective April 1, 2000, the Bank froze all participant benefits under the Employee Retirement Plan.

BNB Bank Pension Plan

During 2012, Bridge amended the BNB Bank Pension Plan by revising the formula for determining benefits effective January 1, 2013, except for certain grandfathered Bridge employees. Additionally, new Bridge employees hired on or after October 1, 2012 were not eligible for the BNB Bank Pension Plan.

The following table represents the components of net periodic benefit (credit) cost included in other non-interest expense, except for service cost which is reported in salaries and employee benefits expense, in the consolidated statements of income. Net expenses associated with these plans were comprised of the following components:

	Three Months Ended June 30,			
	2023		2022	
(In thousands)	BNB Bank Pension Plan	Employee Retirement Plan	BNB Bank Pension Plan	Employee Retirement Plan
Service cost	$ 175	$ —	$ 267	$ —
Interest cost	330	222	195	155
Expected return on assets	(688)	(382)	(857)	(490)
Amortization of unrealized loss	—	147	—	63
Net periodic credit	$ (183)	$ (13)	$ (395)	$ (272)

	Six Months Ended June 30,			
	2023		2022	
(In thousands)	BNB Bank Pension Plan	Employee Retirement Plan	BNB Bank Pension Plan	Employee Retirement Plan
Service cost	$ 350	$ —	$ 535	$ —
Interest cost	660	445	390	310
Expected return on assets	(1,375)	(765)	(1,715)	(980)
Amortization of unrealized loss	—	295	—	125
Net periodic credit	$ (365)	$ (25)	$ (790)	$ (545)

There were no contributions to the BNB Bank Pension Plan or the Employee Retirement Plan for the three or six months ended June 30, 2023.

401(k) Plan

The Company maintains a 401(k) Plan (the "401(k) Plan") that existed before the Merger. The 401(k) Plan covers substantially all current employees. Newly hired employees are automatically enrolled in the plan on the first day of the month following the 60th day of employment, unless they elect not to participate. Participants may contribute a portion of their pre-tax base salary, generally not to exceed $22,500 for the calendar year ended December 31, 2023. Under the provisions of the 401(k) Plan, employee contributions are partially matched by the Bank as follows: 100% of each employee's contributions up to 1% of each employee's compensation plus 50% of each employee's contributions over 1% but not in excess of 6% of each employee's compensation for a maximum contribution of 3.5% of a participating employee's compensation. Participants can invest their account balances into several investment alternatives. The 401(k) Plan does not allow for investment in the Company's common stock. The 401(k) Plan held Company common stock within the accounts of participants totaling $4.3 million at June 30, 2023. During the three and six months ended June 30, 2023, total expense recognized as a component of salaries and employee benefits expense for the 401(k) Plan was $582 thousand and $1.5 million, respectively. During the three and six months ended June 30, 2022, total expense recognized as a component of salaries and employee benefits expense for the 401(k) Plan was $530 thousand and $1.3 million, respectively.

15. STOCK-BASED COMPENSATION

In May 2021, the Company's shareholders approved the Dime Community Bancshares, Inc. 2021 Equity Incentive Plan (the "2021 Equity Incentive Plan") to provide the Company with sufficient equity compensation to meet the objectives of appropriately incentivizing its officers, other employees, and directors to execute our strategic plan to build shareholder value, while providing appropriate shareholder protections. The Company no longer makes grants under the Legacy Stock Plans. Awards outstanding under the Legacy Stock Plans will continue to remain outstanding and subject to the terms and conditions of the Legacy Stock Plans. At June 30, 2023, there were 681,061 shares reserved for issuance under the 2021 Equity Incentive Plan.

Stock Option Awards

The following table presents a summary of activity related to stock options granted under the Legacy Stock Plans, and changes during the period then ended:

	Number of Options	Weighted-Average Exercise Price	Weighted-Average Remaining Contractual Years	Aggregate Intrinsic Value (In thousands)
Options outstanding at January 1, 2023	92,137	$ 35.39	6.2	—
Options exercised	—	—		
Options forfeited	—	—		
Options outstanding at June 30, 2023	92,137	$ 35.39	5.7	$ —
Options vested and exercisable at June 30, 2023	92,137	$ 35.39	5.7	$ —

Information related to stock options during each period is as follows:

	Three Months Ended June 30,		Six Months Ended June 30,	
(In thousands)	2023	2022	2023	2022
Cash received for option exercise cost	**$ —**	$ —	**$ —**	$ —
Income tax (expense) benefit recognized on stock option exercises	**—**	—	**—**	—
Intrinsic value of options exercised	**—**	—	**—**	—

The range of exercise prices and weighted-average remaining contractual lives of both outstanding and vested options (by option exercise cost) as of June 30, 2023 were as follows:

	Outstanding Options		Vested Options	
	Amount	Weighted Average Contractual Years Remaining	Amount	Weighted Average Contractual Years Remaining
Exercise Prices:				
$34.87	35,671	6.6	35,671	6.6
$35.35	32,079	5.6	32,079	5.6
$36.19	24,387	4.6	24,387	4.6
Total	92,137	5.7	92,137	5.7

Restricted Stock Awards

The Company has made RSA grants to outside Directors and certain officers under the Legacy Stock Plans and the 2021 Equity Incentive Plan. Typically, awards to outside Directors fully vest on the first anniversary of the grant date, while awards to officers vest over a pre-determined requisite period. All awards were made at the fair value of the Company's common stock on the grant date. Compensation expense on all RSAs is based upon the fair value of the shares on the respective dates of the grant.

The following table presents a summary of activity related to the RSAs granted, and changes during the period then ended:

	Number of Shares	Weighted-Average Grant-Date Fair Value
Unvested allocated shares outstanding at January 1, 2023	350,758	$ 28.63
Shares granted	201,590	26.16
Shares vested	(120,353)	28.91
Shares forfeited	(2,127)	27.31
Unvested allocated shares outstanding at June 30, 2023	429,868	$ 27.40

Information related to RSAs during each period is as follows:

	Three Months Ended June 30,		Six Months Ended June 30,	
(Dollars in thousands)	**2023**	2022	**2023**	2022
Compensation expense recognized	**$ 1,262**	$ 764	**$ 2,320**	$ 1,788
Income tax (expense) benefit recognized on vesting of RSAs	**(99)**	34	**(112)**	188

As of June 30, 2023, there was $9.0 million of total unrecognized compensation cost related to unvested RSAs to be recognized over a weighted-average period of 2.0 years.

Performance-Based Share Awards

The Company maintains a long-term incentive award program ("LTIP") for certain officers, which meets the criteria for equity-based accounting. For each award, threshold (50% of target), target (100% of target) and stretch (150% of target) opportunities are eligible to be earned over a three-year performance period based on the Company's relative performance on certain goals that were established at the onset of the performance period and cannot be altered subsequently. Shares of common stock are issued on the grant date and held as unvested stock awards until the end of the performance period. Shares are issued at the stretch opportunity in order to ensure that an adequate number of shares are allocated for shares expected to vest at the end of the performance period. Compensation expense on PSAs is based upon the fair value of the shares on the date of the grant for the expected aggregate share payout as of the period end.

The following table presents a summary of activity related to the PSAs granted, and changes during the period then ended:

	Number of Shares	Weighted-Average Grant-Date Fair Value
Maximum aggregate share payout at January 1, 2023	95,831	$ 30.35
Shares granted	92,566	16.97
Shares forfeited	(13,632)	33.67
Maximum aggregate share payout at June 30, 2023	174,765	$ 23.00
Minimum aggregate share payout	—	—
Expected aggregate share payout	148,663	$ 21.98

Information related to PSAs during each period is as follows:

	Three Months Ended June 30,		Six Months Ended June 30,	
(In thousands)	2023	2022	2023	2022
Compensation expense recognized	**$ 95**	$ 182	**$ 340**	$ 377
Income tax expense recognized on vesting of PSAs	**—**	—	**(15)**	—

As of June 30, 2023, there was $2.0 million of total unrecognized compensation cost related to unvested PSAs based on the expected aggregate share payout to be recognized over a weighted-average period of 2.0 years.

16. INCOME TAXES

During the three months ended June 30, 2023 and 2022, the Company's consolidated effective tax rates were 26.8% and 28.4%, respectively. During the six months ended June 30, 2023 and 2022, the Company's consolidated effective tax rates were 26.8% and 28.3%, respectively There were no significant unusual income tax items during the three or six months ended June 30, 2023 and 2022, respectively.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

Overview

Dime Community Bancshares, Inc., a New York corporation, is a bank holding company formed in 1988. On a parent-only basis, the Holding Company has minimal operations, other than as owner of Dime Community Bank. The Holding Company is dependent on dividends from its wholly-owned subsidiary, Dime Community Bank, its own earnings, additional capital raised, and borrowings as sources of funds. The information in this report reflects principally the financial condition and results of operations of the Bank. The Bank's results of operations are primarily dependent on its net interest income, which is the difference between interest income on loans and investments and interest expense on deposits and borrowings. The Bank also generates non-interest income, such as fee income on deposit and loan accounts, merchant credit and debit card processing programs, loan swap fees, investment services, income from its title insurance subsidiary, and net gains on sales of securities and loans. The level of non-interest expenses, such as salaries and benefits, occupancy and equipment costs, other general and administrative expenses, expenses from the Bank's title insurance subsidiary, and income tax expense, further affects our net income. Certain reclassifications have been made to prior year amounts and the related discussion and analysis to conform to the current year presentation. These reclassifications did not have an impact on net income or total stockholders' equity.

Selected Financial Highlights and Other Data
(Dollars in Thousands Except Per Share Amounts)

	At or For the Three Months Ended June 30,		At or For the Six Months Ended June 30,	
	2023	**2022**	**2023**	**2022**
Per Share Data:				
Reported EPS (Diluted)	**$ 0.66**	$ 0.94	**$ 1.58**	$ 1.76
Cash dividends paid per common share	**0.25**	0.24	**0.49**	0.48
Book value per common share	**27.99**	26.41	**27.99**	26.41
Dividend payout ratio	**37.88** %	25.53 %	**31.01 %**	27.27 %
Performance and Other Selected Ratios:				
Return on average assets	**0.81** %	1.27 %	**0.96 %**	1.20 %
Return on average equity	**9.03**	13.44	**10.75**	12.47
Net interest spread	**1.58**	3.12	**1.74**	3.09
Net interest margin	**2.50**	3.29	**2.62**	3.24
Average interest-earning assets to average interest-bearing liabilities	**141.00**	166.61	**143.80**	166.19
Non-interest expense to average assets	**1.53**	1.71	**1.47**	1.67
Efficiency ratio	**57.6**	49.1	**53.8**	50.4
Loan-to-deposit ratio at end of period	**103.4**	91.4	**103.4**	91.4
Effective tax rate	**26.76**	28.41	**26.76**	28.25
Asset Quality Summary:				
Non-performing loans [(1)]	**$ 27,667**	$ 36,301	**$ 27,667**	$ 36,301
Non-performing assets	**27,667**	36,301	**27,667**	36,301
Net charge-offs	**3,679**	555	**5,220**	3,139
Non-performing assets/Total assets	**0.20** %	0.29 %	**0.20** %	0.29 %
Non-performing loans/Total loans	**0.25**	0.38	**0.25**	0.38
Allowance for credit losses/Total loans	**0.70**	0.82	**0.70**	0.82
Allowance for credit losses/Non-performing loans	**273.42**	218.80	**273.42**	218.80

(1) Non-performing loans are defined as all loans on non-accrual status.

Critical Accounting Estimates

Note 1. Summary of Significant Accounting Policies, to the Company's Audited Consolidated Financial Statements in its Annual Report on Form 10-K for the year ended December 31, 2022 contains a summary of significant accounting policies. These accounting policies may require various levels of subjectivity, estimates or judgment by management. Policies with respect to the methodologies it uses to determine the allowance for credit losses on loans held for investment and fair value of loans acquired in a business combinations are critical accounting policies because they are important to the presentation of the Company's consolidated financial condition and results of operations. These critical accounting estimates involve a significant degree of complexity and require management to make difficult and subjective judgments which often necessitate assumptions or estimates about highly uncertain matters. The use of different judgments, assumptions or estimates could result in material variations in the Company's consolidated results of operations or financial condition.

Management has reviewed the following critical accounting estimates and related disclosures with its Audit Committee.

Allowance for Credit Losses on Loans Held for Investment

Methods and Assumptions Underlying the Estimate

On January 1, 2021, we adopted the Current Expected Credit Losses ("CECL") Standard, which requires that loans held for investment be accounted for under the current expected credit losses model. The allowance for credit losses is established and maintained through a provision for credit losses based on expected losses inherent in our loan portfolio. Management evaluates the adequacy of the allowance on a quarterly basis, and additions to the allowance are charged to expense and realized losses, net of recoveries, are charged against the allowance.

Determining the appropriateness of the allowance is complex and requires judgment by management about the effect of matters that are inherently uncertain. In determining the allowance for credit losses for loans that share similar risk characteristics, the Company utilizes a model which compares the amortized cost basis of the loan to the net present value of expected cash flows to be collected. Expected credit losses are determined by aggregating the individual cash flows and calculating a loss percentage by loan segment, or pool, for loans that share similar risk characteristics. For a loan that does not share risk characteristics with other loans, the Company will evaluate the loan on an individual basis. Within the model, assumptions are made in the determination of probability of default, loss given default, reasonable and supportable economic forecasts, prepayment rate, curtailment rate, and recovery lag periods. Management assesses the sensitivity of key assumptions at least annually by stressing the assumptions to understand the impact on the model.

Statistical regression is utilized to relate historical macro-economic variables to historical credit loss experience of a peer group of banks that operate in and around Dime's footprint. These models are then utilized to forecast future expected loan losses based on expected future behavior of the same macro-economic variables. Adjustments to the quantitative results are made using qualitative factors. These factors include: (1) lending policies and procedures; (2) international, national, regional and local economic business conditions and developments that affect the collectability of the portfolio, including the condition of various markets; (3) the nature and volume of the loan portfolio; (4) the experience, ability, and depth of the lending management and other relevant staff; (5) the volume and severity of past due loans; (6) the quality of our loan review system; (7) the value of underlying collateral for collateralized loans; (8) the existence and effect of any concentrations of credit, and changes in the level of such concentrations; and (9) the effect of external factors such as competition and legal and regulatory requirements on the level of estimated credit losses in the existing portfolio.

The Company evaluates loans that do not share risk characteristics on an individual basis based on various factors. Factors that may be considered are borrower delinquency trends and non-accrual status, probability of foreclosure or note sale, changes in the borrower's circumstances or cash collections, borrower's industry, or other facts and circumstances of the loan or collateral. The expected credit loss is measured based on net realizable value, that is, the difference between the discounted value of the expected future cash flows, based on the original effective interest rate, and the amortized cost basis of the loan. For collateral dependent loans, expected credit loss is measured as the difference between the amortized cost basis of the loan and the fair value of the collateral, less estimated costs to sell.

Uncertainties Regarding the Estimate

Estimating the timing and amounts of future losses is subject to significant management judgment as these projected cash flows rely upon the estimates discussed above and factors that are reflective of current or future expected conditions. These estimates depend on the duration of current overall economic conditions, industry, borrower, or portfolio specific conditions. Volatility in certain credit metrics and differences between expected and actual outcomes are to be expected.

Customers may not repay their loans according to the original terms, and the collateral securing the payment of those loans may be insufficient to pay any remaining loan balance. Bank regulators periodically review our allowance for credit losses and may require us to increase our provision for credit losses or loan charge-offs.

Impact on Financial Condition and Results of Operations

If our assumptions prove to be incorrect, the allowance for credit losses may not be sufficient to cover expected losses in the loan portfolio, resulting in additions to the allowance. Future additions or reductions to the allowance may be necessary based on changes in economic, market or other conditions. Changes in estimates could result in a material change in the allowance through charges to earnings which would materially decrease our net income.

We may experience significant credit losses if borrowers experience financial difficulties, which could have a material adverse effect on our operating results.

In addition, various regulatory agencies, as an integral part of the examination process, periodically review the allowance for credit losses. Such agencies may require the Bank to recognize adjustments to the allowance based on their judgments of the information available to them at the time of their examination.

Fair value of loans acquired in a business combination

Methods and Assumptions Underlying the Estimate

On February 1, 2021, the Company completed a merger of equals business combination accounted for as a reverse merger using the acquisition method of accounting. As a part of accounting for the Merger, fair value estimates were calculated with a combination of assumptions by management and by using a third party. The fair value often involved third-party estimates utilizing input assumptions by management which may be complex or uncertain. The fair value of acquired loans was based on a discounted cash flow methodology that considers factors such as type of loan and related collateral, and requires management’s judgment on estimates about discount rates, expected future cash flows, market conditions and other future events.

For purchased financial loans with credit deterioration (“PCD”), an estimate of expected credit losses was made for loans with similar risk characteristics and was added to the purchase price to establish the initial amortized cost basis of the PCD loans. Any difference between the unpaid principal balance and the amortized cost basis is considered to relate to non-credit factors and resulted in a discount or premium. Discounts and premiums are recognized through interest income on a level-yield method over the life of the loans. For acquired loans not deemed PCD at acquisition, the differences between the initial fair value and the unpaid principal balance are recognized as interest income on a level-yield basis over the lives of the related loans.

Uncertainties Regarding the Estimate

Management relied on economic forecasts, internal valuations, or other relevant factors which were available at the time of the Merger in the determination of the assumptions used to calculate the fair value of the acquired loans. Discount rates, expected future cash flows, market conditions and other future events are subjective and may differ from estimates.

Impact on Financial Condition and Results of Operations

The estimate of fair values on acquired loans contributed to the recorded goodwill from the Merger. In future income statement periods, interest income on loans will include the amortization and accretion of any premiums and discounts resulting from the fair value of acquired loans. Additionally, the provision for credit losses on acquired individually analyzed PCD loans may be impacted due to changes in the assumptions used to calculate expected cash flows.

Liquidity and Capital Resources

The Board of Directors of the Bank has approved a liquidity policy that it reviews and updates at least annually. Senior management is responsible for implementing the policy. The Bank's Asset Liability Committee ("ALCO") is responsible for general oversight and strategic implementation of the policy and management of the appropriate departments are designated responsibility for implementing any strategies established by ALCO. On a daily basis, appropriate senior management receives a current cash position report and one-week forecast to ensure that all short-term obligations are timely satisfied and that adequate liquidity exists to fund future activities. Reports detailing the Bank's liquidity reserves are presented to appropriate senior management on a monthly basis, and the Board of Directors at each of its meetings. In addition, a twelve-month liquidity forecast is presented to ALCO in order to assess potential future liquidity concerns. A forecast of cash flow data for the upcoming 12 months is presented to the Board of Directors on an annual basis. Given recent banking industry events, management is also monitoring the level of uninsured deposits on a daily basis.

Liquidity is primarily needed to meet customer borrowing commitments and deposit withdrawals, either on demand or on contractual maturity, to repay borrowings as they mature, to fund current and planned expenditures and to make new loans and investments as opportunities arise. The Bank's primary sources of funding for its lending and investment activities include deposits, loan and MBS payments, investment security principal and interest payments and advances from the FHLBNY. The Bank may also sell or securitize selected multifamily residential, mixed-use or one-to-four family residential real estate loans to private sector secondary market purchasers, and has in the past sold such loans to FNMA and FHLMC. The Company may additionally issue debt or equity under appropriate circumstances. Although maturities and scheduled amortization of loans and investments are predictable sources of funds, deposit flows and prepayments on real estate loans and MBS are influenced by interest rates, economic conditions and competition.

The Bank is a member of AFX, through which it may either borrow or lend funds on an overnight or short-term basis with other member institutions. The availability of funds changes daily.

The Bank utilizes repurchase agreements as part of its borrowing policy to add liquidity. Repurchase agreements represent funds received from customers, generally on an overnight basis, which are collateralized by investment securities. As of June 30, 2023 the Bank did not have any repurchase agreements. As of December 31, 2022, the Bank's repurchase agreements totaling $1.4 million and were included in other short-term borrowings on the consolidated balance sheets.

The Bank gathers deposits in direct competition with commercial banks, savings banks and brokerage firms, many among the largest in the nation. It must additionally compete for deposit monies against the stock and bond markets, especially during periods of strong performance in those arenas. The Bank's deposit flows are affected primarily by the pricing and marketing of its deposit products compared to its competitors, as well as the market performance of depositor investment alternatives such as the U.S. bond or equity markets. To the extent that the Bank is responsive to general market increases or declines in interest rates, its deposit flows should not be materially impacted. However, favorable performance of the equity or bond markets could adversely impact the Bank's deposit flows.

Total deposits (including escrow) increased $268.3 million during the six months ended June 30, 2023 compared to an increase of $107.0 million for the six months ended June 30, 2022. Within deposits, core deposits (*i.e.,* non-CDs) decreased $147.1 million during the six months ended June 30, 2023 and increased $957 thousands during the six months ended June 30, 2022. CDs increased $415.4 million during the six months ended June 30, 2023 compared to an increase of $106.1 million during the six months ended June 30, 2022. The decrease in core deposits and increase in CDs was primarily due to customer migration to higher-rate CDs as a result of the increasing interest rate environment. In the event that the Bank should require funds beyond its ability or desire to generate them internally, an additional source of funds is available through its borrowing line at the FHLBNY or borrowing capacity through AFX and lines of credit with unaffiliated correspondent banks. At June 30, 2023, the Bank had an additional unused borrowing capacity of $1.21 billion through the FHLBNY, subject to customary minimum FHLBNY common stock ownership requirements (*i.e.*, 4.5% of the Bank's outstanding FHLBNY borrowings).

The Bank increased its outstanding FHLBNY advances by $317.0 million during the six months ended June 30, 2023, compared to a $75.0 million increase during the six months ended June 30, 2022. See Note 12. "FHLBNY Advances" for further information.

Subordinated debentures totaled $200.2 million at June 30, 2023 and $200.3 million at December 31, 2022. See Note 13. "Subordinated Debentures" to our consolidated financial statements for further information.

During the six months ended June 30, 2023 and 2022, real estate loan originations totaled $638.5 million and $1.34 billion million, respectively. During the six months ended June 30, 2023 and 2022, C&I loan originations totaled $14.1 million and $49.9 million, respectively.

Sale of securities available-for-sale totaled $79.3 million during the six months ended June 30, 2023. The Bank did not have any sale of securities available-for-sale during the six months ended June 30, 2022. Purchases of available-for-sale securities totaled $78.7 million and $6.2 million during the six months ended June 30, 2023 and 2022, respectively. Proceeds from pay downs and calls and maturities of available-for-sale securities were $38.4 million and $112.2 million for the six months ended June 30, 2023 and 2022, respectively.

The Bank did not have proceeds from sales of held-to-maturity securities during the six months ended June 30, 2023 or 2022, respectively. Purchases of held-to-maturity securities totaled $27.1 million and $41.6 million during the six months ended June 30, 2023 and 2022, respectively. Proceeds from pay downs and calls and maturities of held-to-maturity securities were $10.7 million and $14.1 million for the six months ended June 30, 2023 and 2022, respectively.

The Company and the Bank are subject to minimum regulatory capital requirements imposed by their primary federal regulators. As a general matter, these capital requirements are based on the amount and composition of an institution's assets. At June 30, 2023, each of the Company and the Bank were in compliance with all applicable regulatory capital requirements and the Bank was considered "well capitalized" for all regulatory purposes.

The following table summarizes Company and Bank capital ratios calculated under the Basel III Capital Rules framework as of the period indicated:

	Actual Ratios at June 30, 2023			
	Bank	Consolidated Company	Basel III Minimum Requirement	To Be Categorized as "Well Capitalized" [(1)]
Tier 1 common equity ratio	12.2 %	9.4 %	4.5 %	6.5 %
Tier 1 risk-based capital ratio	12.2	10.5	6.0	8.0
Total risk-based capital ratio	13.0	13.1	8.0	10.0
Tier 1 leverage ratio	9.8	8.4	4.0	5.0

(1) Only the Bank is subject to these requirements.

During the six months ended June 30, 2023, the Holding Company repurchased 36,813 shares of its common stock at an aggregate cost of $947 thousand. The Holding Company repurchased 1,222,649 shares of its common stock at an aggregate cost of $40.3 million during the six months ended June 30, 2022. As of June 30, 2023, 1,566,947 shares remained available for purchase under the authorized share repurchase programs. See "Part II - Item 2. Other Information - Unregistered Sales of Equity Securities and Use of Proceeds" for additional information about repurchases of common stock.

The Holding Company paid $3.6 million in cash dividends on its preferred stock during the six months ended June 30, 2023 and 2022, respectively.

The Holding Company paid $18.5 million and $18.7 million in cash dividends on its common stock during the six months ended June 30, 2023 and 2022, respectively.

Contractual Obligations

The Bank generally has outstanding at any time borrowings in the form of FHLBNY advances, short-term or overnight borrowings, subordinated debt, as well as customer CDs with fixed contractual interest rates. In addition, the Bank is obligated to make rental payments under leases on certain of its branches and equipment.

Off-Balance Sheet Arrangements

As part of its loan origination business, the Bank generally has outstanding commitments to extend credit to borrowers, which are originated pursuant to its regular underwriting standards. Available lines of credit may not be drawn on or may expire prior to funding, in whole or in part, and amounts are not estimates of future cash flows. As of June 30, 2023, the Bank had $122.0 million of firm loan commitments that were accepted by the borrowers. All of these commitments are expected to close during the remainder of the year ended December 31, 2023.

Additionally, in connection with a loan securitization completed in December 2017, the Bank executed a reimbursement agreement with FHLMC that obligates the Company to reimburse FHLMC for any contractual principal and interest payments on defaulted loans, not to exceed 10% of the original principal amount of the loans comprising the aggregate balance of the loan pool at securitization. The maximum exposure under this reimbursement obligation is $28.0 million. The Bank has pledged $28.0 million of available-for-sale pass-through MBS issued by GSEs as collateral.

Asset Quality

General

We do not originate or purchase loans, either whole loans or loans underlying mortgage-backed securities ("MBS"), which would have been considered subprime loans at origination, *i.e.*, real estate loans advanced to borrowers who did not qualify for market interest rates because of problems with their income or credit history. See Note 6 to our unaudited condensed consolidated financial statements for a discussion of evaluation for impaired securities.

Monitoring and Collection of Delinquent Loans

Our management reviews delinquent loans on a monthly basis and reports to our Board of Directors at each regularly scheduled Board meeting regarding the status of all non-performing and otherwise delinquent loans in our loan portfolio.

Our loan servicing policies and procedures require that an automated late notice be sent to a delinquent borrower as soon as possible after a payment is ten days late in the case of multifamily residential, commercial real estate loans, and C&I loans, or fifteen days late in connection with one-to-four family or consumer loans. Thereafter, periodic letters are mailed and phone calls placed to the borrower until payment is received. When contact is made with the borrower at any time prior to foreclosure, we will attempt to obtain the full payment due or negotiate a repayment schedule with the borrower to avoid foreclosure.

Accrual of interest is generally discontinued on a loan that meets any of the following three criteria: (i) full payment of principal or interest is not expected; (ii) principal or interest has been in default for a period of 90 days or more (unless the loan is both deemed to be well secured and in the process of collection); or (iii) an election has otherwise been made to maintain the loan on a cash basis due to deterioration in the financial condition of the borrower. Such non-accrual determination practices are applied consistently to all loans regardless of their internal classification or designation. Upon entering non-accrual status, we reverse all outstanding accrued interest receivable.

We generally initiate foreclosure proceedings on real estate loans when a loan enters non-accrual status based upon non-payment, unless the borrower is paying in accordance with an agreed upon modified payment agreement. We obtain an updated appraisal upon the commencement of legal action to calculate a potential collateral shortfall and to reserve appropriately for the potential loss. If a foreclosure action is instituted and the loan is not brought current, paid in full, or refinanced before the foreclosure action is completed, the property securing the loan is transferred to Other Real Estate Owned ("OREO") status. We generally attempt to utilize all available remedies, such as note sales in lieu of foreclosure, in an effort to resolve non-accrual loans and OREO properties as quickly and prudently as possible in consideration of market conditions, the physical condition of the property and any other mitigating circumstances. We have not initiated any expected or imminent foreclosure proceedings that are likely to have a material adverse impact on our consolidated financial statements. In the event that a non-accrual loan is subsequently brought current, it is returned to accrual status once the doubt concerning collectability has been removed and the borrower has demonstrated performance in accordance with the loan terms and conditions for a period of generally at least six months.

The C&I portfolio is actively managed by our lenders and underwriters. Most credit facilities typically require an annual review of the exposure and borrowers are required to submit annual financial reporting and loans are structured with financial covenants to indicate expected performance levels. Smaller C&I loans are monitored based on performance and the ability to draw against a credit line is curtailed if there are any indications of credit deterioration. Guarantors are also required to update their financial reporting. All exposures are risk rated and those entering adverse ratings due to financial performance concerns of the borrower or material delinquency of any payments or financial reporting are subjected to added management scrutiny. Measures taken typically include amendments to the amount of the available credit facility, requirements for increased collateral, additional guarantor support or a material enhancement to the frequency and quality of financial reporting. Loans determined to reach adverse risk rating standards are monitored closely by Credit Administration to identify any potential credit losses. When warranted, loans reaching a Substandard rating could be reassigned to the Workout Group for direct handling.

Non-accrual Loans

Within our held-for-investment loan portfolio, non-accrual loans totaled $27.7 million at June 30, 2023 and $34.2 million at December 31, 2022.

The following is a reconciliation of non-accrual loans as of the dates indicated:

	June 30, 2023	December 31, 2022	June 30, 2022
		(Dollars in thousands)	
Non-accrual loans:			
Business loans	**$ 23,470**	$ 27,787	$ 29,866
One-to-four family residential, including condominium and cooperative apartment	**3,305**	3,203	3,128
Multifamily residential and residential mixed-use	**—**	—	—
Non-owner-occupied commercial real estate	**15**	2,491	2,519
Acquisition, development, and construction	**657**	657	657
Other	**220**	99	131
Total non-accrual loans	**$ 27,667**	$ 34,237	$ 36,301
Ratios:			
Total non-accrual loans to total loans	**0.25 %**	0.32 %	0.38 %
Total non-performing assets to total assets	**0.20**	0.26	0.29

Troubled Debt Restructuring Disclosures Prior to Our Adoption of ASU No. 2022-02

Prior to our adoption of ASU No. 2022-02, we accounted for a Troubled Debt Restructuring ("TDRs") as a loan that we, for economic or legal reasons related to a borrower's financial difficulties, granted a concession to the borrower that we would not otherwise grant. Those concessions included a reduction of interest rate for the remaining term of the loan, the maturity date of the loan was extended with a stated interest rate lower than the current market rate for new debt with similar risk, and the outstanding principal amount and/or accrued interest have been reduced. In instances in which the interest rate had been reduced, management would not deem the modification a TDR in the event that the reduction in interest rate reflected either a general decline in market interest rates or an effort to maintain a relationship with a borrower who could readily obtain funds from other sources at the current market interest rate, and the terms of the restructured loan are comparable to the terms offered by the Bank to non-troubled debtors.

On January 1, 2023, we adopted ASU 2022-02, which eliminated TDR accounting prospectively for all restructurings occurring on or after January 1, 2023. The accrual status of each restructured loan is determined separately in accordance with our policies for determining accrual or non-accrual status. At the time the modification agreement is entered into between the Bank and the borrower the loan can be on either accrual or non-accrual status. If a loan is on non-accrual status at the time it is restructured, it continues to be classified as non-accrual until the borrower has demonstrated compliance with the modified loan terms for a period of at least six months. Conversely, if at the time of restructuring the loan is performing (and accruing) it will remain accruing throughout its restructured period, unless the loan subsequently meets any of the criteria for non-accrual status under our policy and agency regulations.

Within the allowance for credit losses, losses are estimated for restructured loan on accrual status and well as restructured loans on non-accrual status that are one-to-four family loans or consumer loans, on a pooled basis with loans that share similar risk characteristics. Restructured loans on non-accrual status excluding one-to-four family and consumer loans are individually evaluated to determine expected credit losses. For restructured loans that are collateral-dependent where we have determined that foreclosure of the collateral is probable, or where the borrower is experiencing financial difficulty and we expect repayment of the loan to be provided substantially through the operation or sale of the collateral, the allowance for credit losses ("ACL") is measured based on the difference between the fair value of collateral, less the estimated costs to sell, and the amortized cost basis of the loan as of the measurement date. For non-collateral-dependent loans, the ACL is measured based on the difference between the present value of expected cash flows and the amortized cost basis of the loan as of the measurement date.

OREO

Property acquired by the Bank, or a subsidiary, as a result of foreclosure on a mortgage loan or a deed in lieu of foreclosure is classified as OREO. Upon entering OREO status, we obtain a current appraisal on the property and reassess the likely realizable value (*a/k/a* fair value) of the property quarterly thereafter. OREO is carried at the lower of the fair value or book balance, with any write downs recognized through a provision recorded in non-interest expense. Only the appraised value, or either a contractual or formal marketed value that falls below the appraised value, is used when determining the likely realizable value of OREO at each reporting period. We typically seek to dispose of OREO properties in a timely manner. As a result, OREO properties have generally not warranted subsequent independent appraisals.

There was no carrying value of OREO properties on our consolidated balance sheets at June 30, 2023 or December 31, 2022. We did not recognize any provisions for losses on OREO properties during the six months ended June 30, 2023 or 2022.

Past Due Loans

Loans Delinquent 30 to 59 Days

At June 30, 2023, we had loans totaling $16.4 million that were past due between 30 and 59 days. At December 31, 2022, we had loans totaling $23.5 million that were past due between 30 and 59 days. The 30 to 59-day delinquency levels fluctuate monthly, and are generally considered a less accurate indicator of near-term credit quality trends than non-accrual loans.

Loans Delinquent 60 to 89 Days

At June 30, 2023, we had loans totaling $8.1 million that were past due between 60 and 89 days. At December 31, 2022, we had loans totaling $0.7 million that were past due between 60 and 89 days. The 60 to 89-day delinquency levels fluctuate monthly, and are generally considered a less accurate indicator of near-term credit quality trends than non-accrual loans.

Accruing Loans 90 Days or More Past Due

There were no accruing loans 90 days or more past due at June 30, 2023 or at December 31, 2022.

Allowance for Off-Balance Sheet Exposures

We maintain an allowance, recorded in other liabilities, associated with unfunded loan commitments accepted by the borrower. The amount of our allowance was $2.7 million at June 30, 2023 and $2.8 million at December 31, 2022, respectively. This allowance is determined based upon the outstanding volume of loan commitments at each period end. Any increases or reductions in this allowance are recognized in provision for credit losses.

Allowance for Credit Losses

We recognized a credit loss recovery of $2.7 million and $1.5 million during the six months ended June 30, 2023 and 2022, respectively. The $2.7 million credit loss recovery for the six months ended June 30, 2023 was primarily associated with a reduction in reserves on pooled Purchased Credit Deteriorated ("PCD") loans that were acquired as part of the Company's 2021 merger of equals transaction. The $1.5 million credit loss recovery for the six months ended June 30, 2022 was primarily due to releases of reserves on PCD loans.

For a further discussion of the allowance for credit losses and related activity during the six months ended June 30, 2023 and 2022, please see Note 7 to the condensed consolidated financial statements.

The following table presents our allowance for credit losses allocated by loan type and the percent of loans in each category to total loans as of the dates indicated.

	June 30, 2023		December 31, 2022	
(Dollars in thousands)	Allocated Amount	Percent of Loans in Each Category to Total Loans	Allocated Amount	Percent of Loans in Each Category to Total Loans
Business loans	$ **39,700**	**20.69 %**	$ 47,029	20.93 %
One-to-four family residential and cooperative/condominium apartment	**6,419**	**7.87**	5,969	7.32
Multifamily residential and residential mixed-use	**8,190**	**37.99**	8,360	38.11
Non-owner-occupied commercial real estate	**18,440**	**31.32**	20,153	31.40
Acquisition, development, and construction	**2,558**	**2.07**	1,723	2.17
Other loans	**339**	**0.06**	273	0.07
Total	$ **75,646**	**100.00 %**	$ 83,507	100.00 %

The following table sets forth information about our allowance for credit losses at or for the dates indicated:

	At or for the Six Months Ended June 30,	
	2023	2022
	(Dollars in thousands)	
Total loans outstanding at end of period [1]	**$ 10,876,415**	$ 9,660,907
Average total loans outstanding during the period[2]	**10,696,249**	9,355,117
Allowance for credit losses balance at end of period	**75,646**	79,426
Allowance for credit losses to total loans at end of period	**0.70 %**	0.82 %
Non-performing loans to total loans at end of period	**0.25**	0.38
Allowance for credit losses to total non-performing loans at end of period	**273.42**	218.80
Ratio of net charge-offs to average loans outstanding during the period:		
Business loans	**0.46 %**	0.32 %
One-to-four family residential and cooperative/condominium apartment	**—**	—
Multifamily residential and residential mixed-use	**—**	—
Non-owner-occupied commercial real estate	**—**	—
Acquisition, development, and construction	**—**	—
Other loans	**0.78**	0.03
Total	**0.10**	0.07

(1) Total loans represent gross loans (excluding loans held for sale), inclusive of deferred fees/costs and premiums/discounts.

(2) Total average loans represent gross loans (including loans held for sale), inclusive of deferred loan fees/costs and premiums/discounts.

Comparison of Financial Condition at June 30, 2023 and December 31, 2022

Assets. Assets totaled $13.80 billion at June 30, 2023, $612.9 million above their level at December 31, 2022, primarily due to increases of $317.4 million in our loan portfolio, $283.2 million in cash and due from banks and $37.7 million in other assets, partially offset by a decrease of $37.6 million in total investment securities.

Total loans, net of allowance increased $317.4 million during the six months ended June 30, 2023, to $10.80 billion at June 30, 2023. During the six months ended June 30, 2023, we had loan originations of $652.6 million.

Total investment securities decreased $37.6 million during the six months ended June 30, 2023, to $1.50 billion at June 30, 2023, primarily due to proceeds from principal payments, calls, maturities, and sales of $128.3 million and an increase in unrealized losses of $12.1 million, offset in part by purchases of $105.8 million. There were no transfers to or from securities held-to-maturity during the six months ended June 30, 2023.

Liabilities. Total liabilities increased $580.0 million during the six months ended June 30, 2023, to $12.60 billion at June 30, 2023, primarily due to an increase of $317.0 million in FHLBNY advances and an increase of $268.3 million in deposits (including mortgage escrow accounts).

Stockholders' Equity. Stockholders' equity increased $32.9 million during the six months ended June 30, 2023 to $1.20 billion at June 30, 2023, primarily due to net income of $64.8 million, partially offset by common stock dividends of $18.5 million, other comprehensive loss of $10.0 million, preferred stock dividends of $3.6 million and repurchases of shares of common stock of $947 thousand.

Comparison of Operating Results for the Three Months Ended June 30, 2023 and 2022

General. Net income was $27.5 million during the three months ended June 30, 2023, compared to net income of $38.5 million for the three months ended June 30, 2022. During the three months ended June 30, 2023, non-interest expense increased by $348 thousand, the credit loss provision increased by $848 thousand, non-interest income decreased by $1.7 million, net interest income decreased by $13.3 million, and income tax expense decreased by $5.2 million, compared to the three months ended June 30, 2022.

The discussion of net interest income for the three months ended June 30, 2023 and 2022 should be read in conjunction with the following tables, which set forth certain information related to the consolidated statements of income for those periods, and which also present the average yield on assets and average cost of liabilities for the periods indicated. The average yields and costs were derived by dividing income or expense by the average balance of their related assets or liabilities during the periods represented. Average balances were derived from average daily balances. No tax-equivalent adjustments have been made for interest income exempt from Federal, state, and local taxation. The yields include loan fees consisting of amortization of loan origination and commitment fees and certain direct and indirect origination costs, prepayment fees, and late charges that are considered adjustments to yields. Loan fees included in interest income were $363 thousand and $455 thousand during the three months ended June 30, 2023 and 2022, respectively. The decrease in loan fees was primarily due to a decline in loan prepayment fees in 2023. There are no out-of-period adjustments included in the rate/volume analysis in the following table.

Analysis of Net Interest Income

	Three Months Ended June 30,					
	2023			2022		
	Average Balance	Interest	Average Yield/ Cost	Average Balance	Interest	Average Yield/ Cost
Assets:			(Dollars in thousands)			
Interest-earning assets:						
Business loans [1][3]	$ 2,259,769	$ 35,558	6.31 %	$ 1,982,020	$ 21,787	4.41 %
One-to-four family residential, including condo and coop [3]	828,324	9,818	4.75	683,615	6,771	3.97
Multifamily residential and residential mixed-use [3]	4,125,119	45,123	4.39	3,510,377	32,024	3.66
Non-owner-occupied commercial real estate [3]	3,337,689	42,559	5.11	2,990,246	28,466	3.82
Acquisition, development, and construction [3]	220,795	5,149	9.35	302,534	3,909	5.18
Other loans [3]	6,536	103	6.32	11,571	145	5.03
Securities	1,642,057	7,914	1.93	1,695,702	7,067	1.67
Other short-term investments	468,233	5,867	5.03	236,285	741	1.26
Total interest-earning assets	12,888,522	152,091	4.73 %	11,412,350	100,910	3.55 %
Non-interest earning assets	769,546			709,599		
Total assets	$ 13,658,068			$ 12,121,949		
Liabilities and Stockholders' Equity:						
Interest-bearing liabilities:						
Interest-bearing checking [2]	$ 952,424	$ 3,081	1.30 %	$ 858,402	$ 604	0.28 %
Money market	2,713,816	18,284	2.70	3,148,472	1,240	0.16
Savings [2]	2,279,670	17,376	3.06	1,509,776	859	0.23
Certificates of deposit	1,546,257	13,875	3.60	827,286	1,028	0.50
Total interest-bearing deposits	7,492,167	52,616	2.82	6,343,936	3,731	0.24
FHLBNY advances	1,327,121	15,206	4.60	79,176	172	0.87
Subordinated debt, net	200,254	2,553	5.11	273,470	3,309	4.85
Other short-term borrowings	814	—	—	54,229	92	0.68
Total borrowings	1,528,189	17,759	4.66	406,875	3,573	3.52
Derivative cash collateral	120,542	1,497	4.98	98,995	94	0.38
Total interest-bearing liabilities	9,140,898	71,872	3.15 %	6,849,806	7,398	0.43 %
Non-interest-bearing checking [2]	3,043,899			3,935,765		
Other non-interest-bearing liabilities	254,826			191,066		
Total liabilities	12,439,623			10,976,637		
Stockholders' equity	1,218,445			1,145,312		
Total liabilities and stockholders' equity	$ 13,658,068			$ 12,121,949		
Net interest income		$ 80,219			$ 93,512	
Net interest spread [4]			1.58 %			3.12 %
Net interest-earning assets	$ 3,747,624			$ 4,562,544		
Net interest margin [5]			2.50 %			3.29 %
Ratio of interest-earning assets to interest-bearing liabilities			141.00 %			166.61 %
Deposits (including non-interest-bearing checking accounts) [2]	$ 10,536,066	$ 52,616	2.00 %	$ 10,279,701	$ 3,731	0.15 %

(1) Business loans include commercial and industrial loans, owner-occupied commercial real estate loans and PPP loans.

(2) Includes mortgage escrow deposits.

(3) Amounts are net of deferred origination costs/(fees) and allowance for credit losses, and include loans held for sale.

(4) Net interest rate spread represents the difference between the yield on average interest-earning assets and the cost of average interest-bearing liabilities.

(5) Net interest margin represents net interest income divided by average-interest earning assets.

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Rate/Volume Analysis

	Three Months Ended June 30, 2023 Compared to Three Months Ended June 30, 2022 Increase / (Decrease) Due to:		
	Volume	Rate	Total
	(Dollars in thousands)		
Interest-earning assets:			
Business loans [1][2]	$ 3,675	$ 10,094	$ 13,769
One-to-four family residential, including condo and coop [2]	1,564	1,483	3,047
Multifamily residential and residential mixed-use [2]	6,225	6,876	13,101
Non-owner-occupied commercial real estate [2]	3,905	10,188	14,093
Acquisition, development, and construction [2]	(1,487)	2,727	1,240
Other loans [2]	(70)	28	(42)
Securities	(258)	1,105	847
Other short-term investments	1,545	3,581	5,126
Total interest-earning assets	$ 15,099	$ 36,082	$ 51,181
Interest-bearing liabilities:			
Interest-bearing checking	$ 150	$ 2,327	$ 2,477
Money market	(1,740)	18,784	17,044
Savings	3,298	13,219	16,517
Certificates of deposit	3,533	9,314	12,847
FHLBNY advances	8,495	6,539	15,034
Subordinated debt, net	(898)	142	(756)
Other short-term borrowings	(291)	199	(92)
Derivative cash collateral	194	1,209	1,403
Total interest-bearing liabilities	$ 12,741	$ 51,733	$ 64,474
Net change in net interest income	$ 2,358	$ (15,651)	$ (13,293)

[1] Business loans include commercial and industrial loans, owner-occupied commercial real estate loans and PPP loans.
[2] Amounts are net of deferred origination costs/ (fees) and allowance for credit losses, and include loans held for sale.

Net interest income. Net interest income was $80.2 million during the three months ended June 30, 2023, a decrease of $13.3 million from the three months ended June 30, 2022. Average interest-earning assets were $12.89 billion for the three months ended June 30, 2023, an increase of $1.48 billion from $11.41 billion for the three months ended June 30, 2022. Net interest margin ("NIM") was 2.50% during the three months ended June 30, 2023, down from 3.29% during the three months ended June 30, 2022.

Interest Income. Interest income was $152.1 million during the three months ended June 30, 2023, compared to $100.9 million during the three months ended June 30, 2022. During the three months ended June 30, 2023, interest income increased $51.2 million from the three months ended June 30, 2022, primarily reflecting increases in interest income of $14.1 million on non-owner occupied loan income, $13.8 million on business loan income, $13.1 million on multifamily loan income, $5.1 million on other short-term investments, $3.0 million on one-to-four family loan income, $1.2 million on acquisition, development and construction loan income and $847 thousand on securities, partially offset by decrease in interest income of $42 thousand on other loans.

The increased interest income on non-owner occupied loan income was related to a 129-basis point increase in the average yield and an increase of $347.4 million in the average balance of such loans in the 2023 period. The increased interest income on business loans was related to a 190-basis point increase in the average yield and an increase of $277.7 million in the average balance of such loans in the period. The increased interest income on multifamily loans was related to a 73-basis point increase in the average yield and an increase of $614.7 million in the average balance of such loans in the period. The increased interest income on short-term investments was due to a 377-basis point increase in the average yield and an increase of $231.9 million in the average balance of such short-term investments during the period. The increased interest income on one-to-four family loans was related to a $144.7 million increase in the average balance and a 78-basis point increase in the average yield of such loans in the period. The increased interest income on acquisition, development, and construction loans was related to a 417-basis point increase in the average yield, offset by a decrease of $81.7 million in the average balance of such loans in the period. The increased interest income on securities was due to a 26-basis point increase in the average yield offset by a $53.7 million decrease in the average balance of such securities during the period.

Interest Expense. Interest expense was $71.9 million during the three months ended June 30, 2023, compared to $7.4 million during the three months ended June 30, 2022, primarily reflecting increases in interest expense of $48.9 million on deposits, $14.2 million on total borrowings and $1.4 million on derivative cash collateral. The increased interest expense on deposits primarily reflects a 283-basis point increase in rates paid on savings accounts and an increase of $769.9 million in average balance of such deposits, a 254-basis point increase in rates paid on money market accounts offset by a $434.7 million decrease in average balances of such deposits and a 310-basis point increase in rates paid on CDs and an increase of $719.0 million in average balance of such deposits. The increases in interest expenses on money market accounts, saving accounts and CDs were primarily due to intense price competition among banks and other financial institutions and the rising interest rate environment. The increased interest expense on total borrowings primarily reflects a $1.25 billion increase in the average balance of FHLBNY advances and a 373-basis point increase in rates paid on such advances.

Provision for Credit Losses. We recognized a credit loss provision of $892 thousand during the three months ended June 30, 2023, compared to a credit loss provision of $44 thousand for the three months ended June 30, 2022. The $892 thousand credit loss provision for the three months ended June 30, 2023 was associated with growth in the loan portfolio and deterioration in forecasted macroeconomic conditions offset by a reduction in the reserve on Purchased Credit Deteriorated ("PCD”) loans that were acquired as part of the Company’s merger of equals transaction in 2021. The $44 thousand credit loss provision for the three months ended June 30, 2022 was primarily associated with a $366 thousand credit loss provision on the loan portfolio primarily due to growth, partially offset by a $323 thousand credit loss recovery in reserves for unfunded loan commitments primarily due to lower balances.

Non-Interest Income. Non-interest income was $10.4 million during the three months ended June 30, 2023, compared to $12.1 million during the three months ended June 30, 2022. During the three months ended June 30, 2023, non-interest income decreased $1.7 million from the three months ended June 30, 2022, reflecting a decrease of $1.3 million in BOLI income, an increase of $780 thousand related to a loss on equity securities, a decrease of $513 thousand from gain on sale of SBA loans and a decrease of $437 thousand on title fees, partially offset by a increase of $752 thousand of loan level derivative income and a $519 thousand increase on service charges and other fees during the 2023 period.

Non-Interest Expense. Non-interest expense was $52.2 million during the three months ended June 30, 2023, compared to $51.8 million during the three months ended June 30, 2022. During the three months ended June 30, 2023, non-interest expense increased $348 thousand from the three months ended June 30, 2022, primarily due to a $1.4 million increase in salaries and employee benefits, and a $724 thousand in federal deposit insurance premiums, offset by decreases of $1.7 million in severance, $740 thousand in loss on extinguishment of debt, $352 thousand in professional services and $252 thousand in occupancy and equipment. The increase in federal deposit insurance premiums relates to an increase in deposit insurance rates due to a special assessment by the FDIC.

Non-interest expense was 1.53% and 1.71% of average assets during the three months ended June 30, 2023 and 2022, respectively.

Income Tax Expense. Income tax expense was $10.0 million during the three months ended June 30, 2023, compared to income tax expense of $15.3 million during the three months ended June 30, 2022. The reported effective tax rate for the three months ended June 30, 2023 was 26.8%, and 28.4% for the three months ended June 30, 2022.

Comparison of Operating Results for the Six Months Ended June 30, 2023 and 2022

General. Net income was $64.8 million during the six months ended June 30, 2023, compared to net income of $73.0 million for the six months ended June 30, 2022. During the six months ended June 30, 2023, net interest income decreased by $16.7 million, income tax expense decreased by $5.1 million, non-interest expense decreased by $2.1 million and the credit loss recovery increased by $1.2 million, non-interest income increased by $79 thousand, compared to the six months ended June 30, 2022.

The discussion of net interest income for the six months ended June 30, 2023 and 2022 should be read in conjunction with the following tables, which set forth certain information related to the consolidated statements of income for those periods, and which also present the average yield on assets and average cost of liabilities for the periods indicated. The average yields and costs were derived by dividing income or expense by the average balance of their related assets or liabilities during the periods represented. Average balances were derived from average daily balances. No tax-equivalent adjustments have been made for interest income exempt from Federal, state, and local taxation. The yields include loan fees consisting of amortization of loan origination and commitment fees and certain direct and indirect origination costs, prepayment fees, and late charges that are considered adjustments to yields. Loan fees included in interest income were $655 thousand and $1.3 million during the six months ended June 30, 2023 and 2022, respectively. The decrease in loan fees was primarily due to a decline in loan prepayment fees in 2023. There are no out-of-period adjustments included in the rate/volume analysis in the following table.

	Six Months Ended June 30,					
	2023			2022		
	Average Balance	Interest	Average Yield/ Cost	Average Balance	Interest	Average Yield/ Cost
Assets:			(Dollars in thousands)			
Interest-earning assets:						
Business loans [1][3]	**$ 2,230,319**	**$ 68,008**	**6.15 %**	$ 1,969,811	$ 40,660	4.16 %
One-to-four family residential, including condo and coop [3]	**808,424**	**18,675**	**4.66**	677,191	13,615	4.05
Multifamily residential and residential mixed-use [3]	**4,099,706**	**87,472**	**4.30**	3,432,108	62,481	3.67
Non-owner-occupied commercial real estate [3]	**3,327,427**	**82,254**	**4.98**	2,950,099	54,722	3.74
Acquisition, development, and construction [3]	**223,333**	**10,122**	**9.14**	312,305	7,702	4.97
Other loans [3]	**7,040**	**218**	**6.24**	13,603	342	5.07
Securities	**1,670,792**	**16,345**	**1.97**	1,710,862	14,198	1.67
Other short-term investments	**420,400**	**9,669**	**4.64**	307,315	1,109	0.73
Total interest-earning assets	**12,787,441**	**292,763**	**4.62 %**	11,373,294	194,829	3.45 %
Non-interest earning assets	**767,042**			787,326		
Total assets	**$ 13,554,483**			$ 12,160,620		
Liabilities and Stockholders' Equity:						
Interest-bearing liabilities:						
Interest-bearing checking [2]	**$ 898,068**	**$ 4,603**	**1.03 %**	$ 864,611	$ 970	0.23 %
Money market	**2,706,767**	**32,134**	**2.39**	3,389,118	2,214	0.13
Savings [2]	**2,303,267**	**31,975**	**2.80**	1,383,938	1,066	0.16
Certificates of deposit	**1,358,043**	**21,176**	**3.14**	826,091	2,012	0.49
Total interest-bearing deposits	**7,266,145**	**89,888**	**2.49**	6,463,758	6,262	0.20
FHLBNY advances	**1,291,608**	**28,706**	**4.48**	56,657	249	0.89
Subordinated debt, net	**200,265**	**5,106**	**5.14**	235,486	5,510	4.72
Other short-term borrowings	**6,290**	**118**	**3.78**	28,487	92	0.65
Total borrowings	**1,498,163**	**33,930**	**4.57**	320,630	5,851	3.68
Derivative cash collateral	**128,050**	**2,974**	**4.68**	59,218	95	0.32
Total interest-bearing liabilities	**8,892,358**	**126,792**	**2.88 %**	6,843,606	12,208	0.36 %
Non-interest-bearing checking [2]	**3,191,980**			3,957,631		
Other non-interest-bearing liabilities	**264,002**			188,140		
Total liabilities	**12,348,340**			10,989,376		
Stockholders' equity	**1,206,143**			1,171,243		
Total liabilities and stockholders' equity	**$ 13,554,483**			$ 12,160,620		
Net interest income		**$ 165,971**			$ 182,621	
Net interest spread [4]			**1.74 %**			3.09 %
Net interest-earning assets	**$ 3,895,083**			$ 4,529,688		
Net interest margin [5]			**2.62 %**			3.24 %
Ratio of interest-earning assets to interest-bearing liabilities			**143.80 %**			166.19 %
Deposits (including non-interest-bearing checking accounts) [2]	**$ 10,458,125**	**$ 89,888**	**1.73 %**	$ 10,421,389	$ 6,262	0.12 %

(1) Business loans include commercial and industrial loans, owner-occupied commercial real estate loans and PPP loans.

(2) Includes mortgage escrow deposits.

(3) Amounts are net of deferred origination costs/(fees) and allowance for credit losses, and include loans held for sale.

(4) Net interest rate spread represents the difference between the yield on average interest-earning assets and the cost of average interest-bearing liabilities.

(5) Net interest margin represents net interest income divided by average-interest earning assets.

	Six Months Ended June 30, 2023 Compared to Six Months Ended June 30, 2022 Increase / (Decrease) Due to:		
	Volume	Rate	Total
	(Dollars in thousands)		
Interest-earning assets:			
Business loans [1][2]	$ 6,641	$ 20,707	$ 27,348
One-to-four family residential, including condo and coop [2]	2,824	2,236	5,060
Multifamily residential and residential mixed-use [2]	13,209	11,782	24,991
Non-owner-occupied commercial real estate [2]	8,195	19,337	27,532
Acquisition, development, and construction [2]	(3,116)	5,536	2,420
Other loans [2]	(184)	60	(124)
Securities	(365)	2,512	2,147
Other short-term investments	1,505	7,055	8,560
Total interest-earning assets	$ 28,709	$ 69,225	$ 97,934
Interest-bearing liabilities:			
Interest-bearing checking	$ 120	$ 3,513	$ 3,633
Money market	(4,251)	34,171	29,920
Savings	6,760	24,149	30,909
Certificates of deposit	4,800	14,364	19,164
FHLBNY advances	16,449	12,008	28,457
Subordinated debt, net	(859)	455	(404)
Other short-term borrowings	(244)	270	26
Derivative cash collateral	854	2,025	2,879
Total interest-bearing liabilities	$ 23,629	$ 90,955	$ 114,584
Net change in net interest income	$ 5,080	$ (21,730)	$ (16,650)

[1] Business loans include commercial and industrial loans, owner-occupied commercial real estate loans and PPP loans.

[2] Amounts are net of deferred origination costs/ (fees) and allowance for credit losses, and include loans held for sale.

Net interest income. Net interest income was $166.0 million during the six months ended June 30, 2023, a decrease of $16.6 million from the six months ended June 30, 2022. Average interest-earning assets were $12.79 billion for the six months ended June 30, 2023, an increase of $1.42 billion from $11.37 billion for the six months ended June 30, 2022. Net interest margin ("NIM") was 2.62% during the six months ended June 30, 2023, down from 3.24% during the six months ended June 30, 2022.

Interest Income. Interest income was $292.8 million during the six months ended June 30, 2023, compared to $194.8 million during the six months ended June 30, 2022. During the six months ended June 30, 2023, interest income increased $97.9 million from the six months ended June 30, 2022, primarily reflecting increases in interest income of $27.5 million on non-owner occupied loan income, $27.3 million on business loan income, $25.0 million on multifamily loan income, $8.6 million on other short-term investments, $5.1 million on one-to-four family loan income, $2.4 million on acquisition, development and construction loan income and $2.1 million on securities, partially offset by a decrease in interest income of $124 thousand on other loans.

The increased interest income on non-owner occupied loan income was related to a 124-basis point increase in the average yield and an increase of $377.3 million in the average balance of such loans in the 2023 period. The increased interest income on business loans was related to a 199-basis point increase in the average yield and an increase of $260.5 million in the average balance of such loans in the period. The increased interest income on multifamily loans was related to an increase of $667.6 million in the average balance and a 63-basis point increase in the average yield of such loans in the period. The increased interest income on one-to-four family loans was related to an increase of $131.2 million in the average balance and a 61-basis point increase in the average yield of such loans in the period. The increased interest income on acquisition, development, and construction loans was related to a 417-basis point increase in the average yield and a decrease of $89.0 million in the average balance of such loans in the period. The decreased interest income on other loans was due to a 117-basis point increase in the average yield offset by a $6.6 million decrease in the average balance of other loans during the period. The increased interest income on securities was due to an increase of a 30-basis point increase in the average yield, offset by a $40.1 million decrease in the average balance of such securities during the period. The increased interest income on short-term investments was due to a 391-basis point increase in the average yield and an increase of $113.1 million in the average balance of such short-term investments during the period.

Interest Expense. Interest expense was $126.8 million during the six months ended June 30, 2023, compared to $12.2 million during the six months ended June 30, 2022, primarily reflecting increases in interest expense of $83.6 million on deposits, $28.5 million on FHLBNY advances, $28.1 million on total borrowings and $2.9 million on derivative cash collateral. The increased interest expense on deposits primarily reflects a 264-basis point increase in rates paid on savings accounts and an increase of $919.3 million in average balance of such deposits, a 226-basis point increase in rates paid on money market accounts offset by a decrease of $682.3 million in average balances of such deposits and a 265-basis point increase in rates paid on CDs and an increase of $532.0 million in average balance of such deposits. The increases in interest expenses on money market accounts, saving accounts and CDs were primarily due to intense price competition among banks and other financial institutions and the rising interest rate environment. The increased interest expense on total borrowings primarily reflects a a 359-basis point increase in rates paid and a $1.23 billion increase in the average balance of FHLBNY advances.

Provision for Credit Losses. We recognized a credit loss recovery of $2.8 million during the six months ended June 30, 2023, compared to a credit loss recovery of $1.5 million for the six months ended June 30, 2022. The $2.8 million credit loss recovery for the six months ended June 30, 2023 was primarily associated with a reduction in reserves on pooled PCD loans that were acquired as part of the Company's 2021 merger of equals transaction. The $1.5 million credit loss recovery for the six months ended June 30, 2022 was primarily associated with releases of reserves on PCD loans.

Non-Interest Income. Non-interest income was $19.4 million during the six months ended June 30, 2023, compared to $19.3 million during the six months ended June 30, 2022. During the six months ended June 30, 2023, non-interest income increased $79 thousand from the six months ended June 30, 2022, reflecting an increase of $3.9 million of loan level derivative income and a $275 thousand increase on service charges and other fees, partially offset by a $1.4 million loss on sale of securities, a $967 thousand decrease in BOLI income, an increase of $780 thousand loss on equity securities, a $566 thousand decrease in title fee income, a $257 thousand decrease in gain on sale of residential loans and a $239 thousand decrease from gain on sale of SBA loans during the 2023 period.

Non-Interest Expense. Non-interest expense was $99.7 million during the six months ended June 30, 2023, compared to $101.7 million during the six months ended June 30, 2022. During the six months ended June 30, 2023, non-interest expense decreased $2.1 million from the six months ended June 30, 2022, primarily due to a $2.8 million decrease in salaries and employee benefits, a $1.7 million decrease in severance, a $740 thousand decrease in loss on extinguishment of debt, a $523 thousand decrease in professional services and $463 thousand decrease in occupancy and equipment, partially offset by increases of $2.1 million in other non-interest expenses, a $1.4 million increase in federal deposit insurance premiums, and a $717 thousand increase in data processing costs. The increase in federal deposit insurance premiums relates to an increase in deposit insurance rates due to a special assessment by the FDIC.

Non-interest expense was 1.47% and 1.67% of average assets during the six months ended June 30, 2023 and 2022, respectively.

Income Tax Expense. Income tax expense was $23.7 million during the six months ended June 30, 2023, compared to income tax expense of $28.8 million during the six months ended June 30, 2022. The reported effective tax rate for the six months ended June 30, 2023 was 26.8%, and 28.3% for the six months ended June 30, 2022.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

Quantitative and qualitative disclosures about market risk were presented at December 31, 2022 in Item 7A of the Holding Company's Annual Report on Form 10-K, filed with the SEC on February 28, 2023. The following is an update of the discussion provided therein.

General. The Company's largest component of market risk remains interest rate risk. The Company is not subject to foreign currency exchange or commodity price risk. During the three and six months ended June 30, 2023, we conducted zero transactions involving derivative instruments requiring bifurcation in order to hedge interest rate or market risk.

Interest Rate Risk Exposure Analysis

Economic Value of Equity ("EVE") Analysis. In accordance with agency regulatory guidelines, the Company simulates the impact of interest rate volatility upon EVE using several interest rate scenarios. EVE is the difference between the present value of the expected future cash flows of the Company's assets and liabilities and the value of any off-balance sheet items, such as derivatives, if applicable.

Traditionally, the fair value of fixed-rate instruments fluctuates inversely with changes in interest rates. Increases in interest rates thus result in decreases in the fair value of interest-earning assets, which could adversely affect the Company's consolidated results of operations in the event they were to be sold, or, in the case of interest-earning assets classified as available-for-sale, reduce the Company's consolidated stockholders' equity, if retained. The changes in the value of assets and liabilities due to fluctuations in interest rates measure the interest rate sensitivity of those assets and liabilities.

In order to measure the Company's sensitivity to changes in interest rates, EVE is calculated under market interest rates prevailing at a given quarter-end ("Pre-Shock Scenario"), and under various other interest rate scenarios ("Rate Shock Scenarios") representing immediate, permanent, parallel shifts in the term structure of interest rates from the actual term structure observed in the Pre-Shock Scenario. An increase in the EVE is considered favorable, while a decline is considered unfavorable. The changes in EVE between the Pre-Shock Scenario and various Rate Shock Scenarios due to fluctuations in interest rates reflect the interest rate sensitivity of the Company's assets, liabilities, and off-balance sheet items that are included in the EVE. Management reports the EVE results to the Board of Directors on a quarterly basis. The report compares the Company's estimated Pre-Shock Scenario EVE to the estimated EVE calculated under the various Rate Shock Scenarios.

The Company's valuation model makes various estimates regarding cash flows from principal repayments on loans and deposit decay rates at each level of interest rate change. The Company's estimates for loan repayment levels are influenced by the recent history of prepayment activity in its loan portfolio, as well as the interest rate composition of the existing portfolio, especially in relation to the existing interest rate environment. In addition, the Company considers the amount of fee protection inherent in the loan portfolio when estimating future repayment cash flows. Regarding deposit decay rates, the Company tracks and analyzes the decay rate of its deposits over time, with the assistance of a reputable third-party, and over various interest rate scenarios. Such results are utilized in determining estimates of deposit decay rates in the valuation model. The Company also generates a series of spot discount rates that are integral to the valuation of the projected monthly cash flows of its assets and liabilities. The valuation model employs discount rates that it considers representative of prevailing market rates of interest with appropriate adjustments it believes are suited to the heterogeneous characteristics of the Company's various asset and liability portfolios. No matter the care and precision with which the estimates are derived, actual cash flows could differ significantly from the Company's estimates resulting in significantly different EVE calculations.

The analysis that follows presents, as of June 30, 2023 and December 31, 2022, the estimated EVE at both the Pre-Shock Scenario and the -100 Basis Point, +100 Basis Point Rate and +200 Basis Point Rate Shock Scenarios.

	June 30, 2023			**December 31, 2022**		
(Dollars in thousands)	**EVE**	**Dollar Change**	**Percentage Change**	**EVE**	**Dollar Change**	**Percentage Change**
Rate Shock Scenarios						
+ 200 Basis Points	**$ 1,386,078**	**$ 73,576**	**5.6%**	$ 1,717,562	$ 78,373	4.8%
+ 100 Basis Points	**1,362,237**	**49,735**	**3.8%**	1,703,131	63,942	3.9%
Pre-Shock Scenario	**1,312,502**	**—**	**—**	1,639,189	—	—
- 100 Basis Points	**1,242,486**	**(70,016)**	**(5.3)%**	1,515,010	(124,179)	(7.6)%

The Company's Pre-Shock Scenario EVE decreased from $1.64 billion at December 31, 2022 to $1.31 billion at June 30, 2023. The primary factors contributing to the decline in EVE include a shift in the deposit mix, coupled with an increase in the cost of the Bank's interest bearing non-maturity deposits. Further influencing the change in EVE was a decline in the relative value of the Bank's loan portfolio as market interest rates have increased more than the overall portfolio yield.

The Company's EVE in the +100 Basis Point Rate and +200 Basis Point Rate Shock Scenarios decreased from $1.70 billion and $1.72 billion, respectively, at December 31, 2022, to $1.36 billion and $1.39 billion, respectively, at June 30, 2023. In the -100 Basis Point Rate Shock Scenario the Company's EVE decreased from $1.52 billion at December 31, 2022, to $1.24 billion at June 30, 2023.

Income Simulation Analysis. As of the end of each quarterly period, the Company also monitors the impact of interest rate changes through a net interest income simulation model. This model estimates the impact of interest rate changes on the Company's net interest income over forward-looking periods typically not exceeding 36 months (a considerably shorter period than measured through the EVE analysis). Management reports the net interest income simulation results to the Company's Board of Directors on a quarterly basis. The following table discloses the estimated changes to the Company's net interest income in various time periods assuming gradual changes in interest rates over a 12-month period beginning June 30, 2023, for the given rate scenarios:

	Percentage Change in Net Interest Income	
Gradual Change in Interest rates of:	**Year-One**	**Year-Two**
+ 200 Basis Points	(3.1)%	(3.4)%
+ 100 Basis Points	(1.7)%	(1.9)%
- 100 Basis Points	1.3%	0.5%

Management also examines the potential impact to net interest income by simulating the impact of instantaneous changes to interest rates. The following table discloses the estimated changes to the Company's net interest income in various time periods associated with the given interest rate shock scenarios.

	Percentage Change in Net Interest Income	
Instantaneous Rate Shock Scenarios	**Year-One**	**Year-Two**
+ 200 Basis Points	(2.9)%	(0.9)%
+ 100 Basis Points	(1.5)%	(0.5)%
- 100 Basis Points	0.4%	(1.1)%

Item 4. Controls and Procedures

Management of the Company, with the participation of its Principal Executive Officer and Principal Financial Officer, conducted an evaluation of the effectiveness, as of June 30, 2023, of the Company's disclosure controls and procedures, as defined in Rules 13a-15(e) and 15(d)-15(e) under the Exchange Act. Based upon this evaluation, the Principal Executive Officer and Principal Financial Officer concluded that the Company's disclosure controls and procedures were effective as of June 30, 2023 in ensuring that information required to be disclosed by the Company in the reports that it files or submits under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms, and that such information is accumulated and communicated to management of the Company as appropriate to allow timely decisions regarding required disclosures.

Changes in Internal Control Over Financial Reporting

There has been no change in the Company's internal control over financial reporting during the quarter ended June 30, 2023, that has materially affected, or is reasonably likely to materially affect, such controls.

PART II – OTHER INFORMATION

Item 1. Legal Proceedings

In the ordinary course of business, the Company is routinely named as a defendant in or party to various pending or threatened legal actions or proceedings. Certain of these matters may seek substantial monetary damages. In the opinion of management, the Company was not involved in any actions or proceedings that were likely to have a material adverse impact on its financial condition and results of operations as of June 30, 2023.

Item 1A. Risk Factors

For information regarding the Company's risk factors, see Part 1, Item 1A "Risk Factors" in the Company's Annual Report on Form 10-K for fiscal year ended December 31, 2022, and Part II, Item 1A "Risk Factors" in our subsequent Annual Reports on Form 10-Q, each as filed with the Securities and Exchange Commission.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

(a) Not applicable.

(b) Not applicable.

(c)

Period	Total Number of Shares Purchased	Average Price Paid Per Share	Total Number of Shares Purchased as Part of Publicly Announced Programs	Maximum Number of Shares that May Yet be Purchased Under the Programs [1]
April 2023	5,700	$ 20.97	5,700	1,573,247
May 2023	6,300	17.35	6,300	1,566,947
June 2023	—	—	—	1,566,947

[1] In May 2022, we announced the adoption of a new stock repurchase program of up to 1,948,314 shares, upon the completion of our existing authorized stock repurchase program. The stock repurchase program may be suspended, terminated, or modified at any time for any reason, and has no termination date. As of June 30, 2023, there were 1,566,947 shares remaining to be purchased in the program.

Item 3. Defaults Upon Senior Securities

None.

Item 4. Mine Safety Disclosures

Not Applicable.

Item 5. Other Information

During the three months ended June 30, 2023, none of the Company's directors or executive officers adopted or terminated any contract, instruction or written plan for the purchase or sale of Company securities that was intended to satisfy the affirmative defense conditions of Rule 10b5-1(c) or any "non-Rule 10b5-1 trading arrangement," as that term is used in SEC regulations.

The information below is reported in lieu of information that would be reported pursuant to a Current Report on Form 8-K filed with the Commission during the period under Items 5.02 and 5.03.

Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

Executive Officer

Departure of Kevin M. O'Connor as Chief Executive Officer. As previously disclosed by Dime Community Bancshares, Inc., a New York corporation (the "Company"), in the Current Report on Form 8-K as filed with the Securities and Exchange Commission on July 28, 2023, the Company issued a press release announcing that Kevin M. O'Connor will step down from the position of Chief Executive Officer of the Company effective as of August 31, 2023 (the "Effective Date"). The Company also announced that Mr. O'Connor will continue to serve on the Board of Directors until December 31, 2023. Mr. O'Connor's departure from his positions with the Company is not the result, in whole or in part, of any disagreement with the Company's management.

In connection with Mr. O'Connor's departure, on July 27, 2023, the Company, Dime Community Bank and Mr. O'Connor entered into an Agreement and General Release (the "O'Connor Agreement"). Upon execution and non-revocation of the O'Connor Agreement, that certain Employment Agreement, dated October 16, 2020, and effective February 1, 2021 ("Employment Agreement"), that certain Amendment to Employment Agreement, dated June 28, 2021 (the "Amendment"), and that certain Retention Agreement, dated October 16, 2020, will terminate in all respects except with respect to certain restrictive covenants as set forth in the Employment Agreement, which such restrictive covenants shall extend until the later of December 31, 2024 or one year after the date on which Mr. O'Connor steps down from all officer and director positions. Until the Effective Date, Mr. O'Connor will continue to be employed by the Company as the Chief Executive Officer and will continue to earn and receive his current base salary and benefits in full through the Effective Date.

Pursuant to the O'Connor Agreement, Mr. O'Connor will receive the following payments as contemplated by the Employment Agreement and the Amendment, in a lump sum, less required tax withholding: (i) a pro-rated bonus of $782,546.54, which shall be in lieu of any bonus, incentive or additional payment for 2023 as provided in the Employment Agreement; (ii) $6,226,290, which amounts to three years of Mr. O'Connor's base salary and 2022 bonus; (iii) $1,205,850, which amount is intended to account for and be in lieu of any payments that Mr. O'Connor would have received for the three-year period following the Effective Date related to contributions by the Company to the defined contribution plan; (iv) an amount equal to 36 months of 150% of Mr. O'Connor's COBRA health care premiums and monthly life insurance premiums; and (v) an amount equal to one week of accrued paid time off, which equals one week of base salary at Mr. O'Connor's current base salary rate. Also, Mr. O'Connor will be reimbursed for certain expenses not to exceed $135,000. Mr. O'Connor's unvested equity awards will be forfeited as of the Effective Date.

This summary of the O'Connor Agreement does not purport to be complete and is subject to and qualified in its entirety by reference to the text of the O'Connor Agreement, included as Exhibit 10.1 to this filing. Exhibit 10.1 is incorporated by reference herein.

Appointment of Stuart H. Lubow as President and Chief Executive Officer. In connection with Mr. O'Connor's departure, on July 27, 2023, the Board of Directors appointed Stuart H. Lubow as the Company's President and Chief Executive Officer to be effective on the Effective Date. Mr. Lubow will serve in such capacity until his successor has been duly elected and qualified or until death, resignation or removal.

Mr. Lubow, age 66, currently serves as the President and Chief Operating Officer of the Company. From 2020, Mr. Lubow served as President of Dime Community Bancshares, Inc., a Delaware corporation ("Legacy Dime") which as of February 1, 2023, merged with and into the Company pervious known as "Bridge Bancorp, Inc.," and from 2017, Mr. Lubow served as Senior Executive Vice President and Chief Banking Officer of Legacy Dime. Prior to joining Legacy Dime, Mr. Lubow served as Chairman, President and Chief Executive Officer of Community National Bank from 2005 to 2015.

There are no family relationships between Mr. Lubow and any director or executive officer of the Company, and the Company has not entered into any transactions with Mr. Lubow that are reportable pursuant to Item 404(a) of Regulation S-K promulgated under the Securities Exchange Act of 1934, as amended (the “Exchange Act”).

Board of Directors

Departure of Kevin M. O’Connor from the Board of Directors. Pursuant to the O’Connor Agreement, Mr. O’Connor will step down from the Board of Directors effective as of December 31, 2023.

Election of Stuart H. Lubow to the Board of Directors. As further described in Item 5.03 of this Current Report on Form 8-K, on July 27, 2023, the Board of Directors approved an amendment and restatement of the Dime Community Bancshares, Inc. Bylaws (the “Bylaws” and, as amended and restated, the “Amended and Restated Bylaws”) to delete Article VIII, Section 8.03(a) which required that the Board of Directors consist of 12 directors. On July 27, 2023, pursuant to Article II, Section 2.04 of the Amended and Restated Bylaws, effective as of the Effective Date, the Board of Directors determined that the number of directors comprising the Board of Directors will be increased from 12 to 13, until December 31, 2023 or Mr. O’Connor’s earlier death, resignation or removal from the Board of Directors, when the number of directors comprising the Board of Directors will be reduced from 13 to 12. The increase in the number of directors from 12 to 13 creates a vacancy on the Board of Directors as of the Effective Date.

On July 27, 2023, the Board of Directors elected Mr. Lubow as a director, effective as of the Effective Date, to fill the vacancy created by the increase in the size of the Board of Directors. Mr. Lubow will serve as a director from the Effective Date until the next election of directors at the Company’s annual meeting of shareholders to be held in 2024 or Mr. Lubow’s earlier death, resignation or removal. The Board of Directors did not designate Mr. Lubow as a member of any committees of the Board of Directors.

Other than described above, there are no arrangements or understandings between Mr. Lubow and any other person pursuant to which he will be elected as a director. There are no transactions with Mr. Lubow that are reportable pursuant to Item 404(a) of Regulation S-K promulgated under the Exchange Act.

Amendments to Articles of Incorporation or Bylaws; Change in Fiscal Year

On July 27, 2023, the Board of Directors approved and adopted the Amended and Restated Bylaws, effective upon the Effective Date. The changes made in the Amended and Restated Bylaws include (1) the deletion of Article VIII, Section 8.03(a) of the Bylaws, which provided that the Board of Directors was to be comprised of 12 directors, of which six must be Legacy Bridge Bancorp Directors (as defined in the Bylaws) and six must be Legacy DCB Directors (as defined in the Bylaws) during the Specified Period (as defined in the Bylaws), and (2) corresponding changes to the section numbers and cross references in Article VIII, Section 8.03 and 8.04 of the Amended and Restated Bylaws.

This summary of the Amended and Restated Bylaws does not purport to be complete and is subject to and qualified in its entirety by reference to the text of the Amended and Restated Bylaws, included as Exhibit 3.2 to this filing. Exhibit 3.2 is incorporated by reference herein.

Item 6. Exhibits

3.1	Restated Certificate of Incorporation of the Registrant (incorporated by reference to Exhibit 3.1 to the Registrant's Current Report on Form 8-K, filed February 2, 2021 (File No. 001-34096))
3.2	Amended and Restated Bylaws of Dime Community Bancshares, Inc.
4.1	Indenture, dated May 6, 2022, between Dime Community Bancshares, Inc. and Wilmington Trust National Association, as trustee (incorporated by reference to Exhibit 4.1 to the Registrant's Current Report on Form 8-K, filed May 6, 2022 (File No. 001-34096))
4.2	First Supplemental Indenture, May 6, 2022, between Dime Community Bancshares, Inc. and Wilmington Trust National Association, as trustee (incorporated by reference to Exhibit 4.2 to the Registrant's Current Report on Form 8-K, filed May 6, 2022 (File No. 001-34096))
4.3	Form of 5.000% Fixed-to-Floating Rate Subordinated Notes due 2032 (incorporated by reference to Exhibit 4.2 to the Registrant's Current Report on Form 8-K, filed May 6, 2022 (File No. 001-34096))
10.1	Agreement and General Release, dated July 27, 2023, by and among Dime Community Bancshares, Inc., Dime Community Bank and Kevin M. O'Connor
31.1	Certification of Principal Executive Officer pursuant to Rule 13a-14(a)
31.2	Certification of Principal Financial Officer pursuant to Rule 13a-14(a)
32.1	Certification of Chief Executive Officer and Chief Financial Officer pursuant to Rule 13a-14(b) and 18 U.S.C. Section 1350
101	The following financial statements from Dime Community Bancshares, Inc.'s Quarterly Report on Form 10-Q for the Quarter Ended June 30, 2023, filed on August 2, 2023, formatted in XBRL: (i) Consolidated Balance Sheets as of June 30, 2023 and December 31, 2022, (ii) Consolidated Statements of Income for the Three and Six Months Ended June 30, 2023 and 2022, (iii) Consolidated Statements of Comprehensive Income for the Three and Six Months Ended June 30, 2023 and 2022, (iv) Consolidated Statements of Stockholders' Equity for the Three and Six Months Ended June 30, 2023 and 2022, (v) Consolidated Statements of Cash Flows for the Six Months Ended June 30, 2023 and 2022, and (vi) the Condensed Notes to Consolidated Financial Statements.
101.INS	XBRL Instance Document
101.SCH	XBRL Taxonomy Extension Schema Document
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document
101.LAB	XBRL Taxonomy Extension Labels Linkbase Document
101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document
101.DEF	XBRL Taxonomy Extension Definitions Linkbase Document
104	Cover page to this Quarterly Report on Form 10-Q, formatted in Inline XBRL

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Dime Community Bancshares, Inc.

Dated: August 2, 2023	By: /s/ KEVIN M. O'CONNOR Kevin M. O'Connor Chief Executive Officer
Dated: August 2, 2023	By: /s/ AVINASH REDDY Avinash Reddy Senior Executive Vice President and Chief Financial Officer

AMENDED AND RESTATED BYLAWS
of
DIME COMMUNITY BANCSHARES, INC.

These Bylaws are supplemental to the New York Business Corporation Law and other applicable provisions of law, as the same shall from time to time be in effect.

ARTICLE I - MEETINGS OF SHAREHOLDERS

Section 101 - Place of Meetings
All meetings of the shareholders shall be held at such place or places, within or without the State of New York, as shall be determined by the Board of Directors from time to time.

Section 102 - Annual Meetings
The annual meeting of the shareholders for the election of directors and the transaction of such other business as may properly come before the meeting shall be held at such date or hour as may be fixed by the Board of Directors. Any business which is a proper subject for shareholder action may be transacted at the annual meeting, irrespective of whether the notice of said meeting contains any reference thereto, except as otherwise provided by applicable law.

Section 103 - Special Meeting
Special meetings of the shareholders may be called at any time by the Board of Directors.

Section 104 - Conduct of Shareholders' Meetings.
The President of the Corporation shall preside at all shareholders' meetings. In the absence of the President, the Chairperson shall preside or, in his/her absence, any officer designated by the Board of Directors. The officer presiding over the shareholders' meeting may establish such rules and regulations for the conduct of the meeting as he/she may deem to be reasonably necessary or desirable for the orderly and expeditious conduct of the meeting. Unless the officer presiding over the shareholders' meeting otherwise requires, shareholders need not vote by ballot on any question.

Section 105 – Nomination by Shareholders and New Business Proposals.

(a) Nominations of persons for election to the Board of Directors and the proposal of business to be transacted by the shareholders may be made at an annual meeting of shareholders (i) pursuant to the Corporation's notice with respect to such meeting, (ii) by or at the direction of the Board of Directors or (iii) by any stockholder of record of the Corporation who was a stockholder of record at the time of the giving of the notice provided for in the following paragraph, who is entitled to vote at the meeting and who has complied with the notice procedures set forth in this section.

(b) For nominations or other business to be properly brought before an annual meeting by a stockholder pursuant to clause (iii) of the foregoing paragraph, (1) the stockholder must have given timely notice thereof in writing to the Secretary of the Corporation (the "Notice"), (2) such business must be a proper matter for stockholder action under the New York Business Corporation Law, (3) the Notice must include the information required hereunder. To be timely, a stockholder's notice shall be delivered to the Secretary at the principal executive offices of the Corporation not less than 90 days prior to the date of the Corporation's proxy materials for the preceding year's annual meeting of shareholders ("Proxy Statement

Date"); provided, however, that if the date of the annual meeting is advanced more than 30 days prior to or delayed by more than 30 days after the anniversary of the preceding year's annual meeting, notice by the stockholder to be timely must be so delivered not later than the close of business on the 10th day following the day on which public announcement of the date of such meeting is first made. A stockholder's Notice must include the following information

- A statement that the writer is a stockholder and is proposing a candidate for consideration by the Board or is proposing business for the consideration by the shareholders of the Corporation;
- The name and address of the stockholder as they appear on the Corporation's books, and number of shares of the Corporation's common stock that are owned beneficially by such stockholder (if the stockholder is not a holder of record, appropriate evidence of the stockholder's ownership will be required);
- As to a nomination for election to the Board, the name, address and contact information for the candidate, and the number of shares of common stock of the Corporation that are owned by the candidate (if the candidate is not a holder of record, appropriate evidence of the stockholder's ownership should be provided);
- As to a nomination to the Board, a statement of the candidate's business and educational experience, detailed information about any relationship or understanding between the proposing stockholder and the candidate, and a statement that the candidate is willing to be considered and willing to serve as a director if nominated and elected;
- As to any business that the stockholder proposes to bring before the meeting, a brief description of such business
- Such other information regarding the candidate or the business proposed as would be required to be included in the proxy statement pursuant to SEC Regulation 14A, including as to a proposal for business to be considered, any material interest that the stockholder has with respect to the business being proposed;
- A statement detailing any relationship between the proposing stockholder, any candidate for election to the Board, and any customer, supplier or competitor of Dime Community Bancshares and its affiliates;
- A statement as to whether either such stockholder intends to deliver a proxy statement and form of proxy to holders of, in the case of a proposal, at least the percentage of the Corporation's voting shares required under applicable law to carry the proposal or, in the case of a nomination or nominations, a sufficient number of holders of the Corporation's voting shares to elect such nominee or nominees (an affirmative statement of such intent, a "Solicitation Notice").

(c) Only persons nominated in accordance with the procedures set forth in this Section 10 shall be eligible to serve as directors and only such business shall be conducted at an annual meeting of shareholders as shall have been brought before the meeting in accordance with the procedures set forth in this section. The chairman of the meeting shall have the power and the duty to determine whether a nomination or any business proposed to be brought before the meeting has been made in accordance with the procedures set forth in these Bylaws and, if any proposed nomination or business is not in compliance with these Bylaws, to declare that such defectively proposed business or nomination shall not be presented for stockholder action at the meeting and shall be disregarded.

(d) For purposes of these Bylaws, "public announcement" shall mean disclosure in a press release reported by the Dow Jones New Service, Associated Press or a comparable national news service or in a document publicly filed by the Corporation with the Securities and Exchange Commission pursuant to Section 13, 14 or 15(d) of the Exchange Act.

(e) Notwithstanding the foregoing provisions of this Section 105, a stockholder shall also comply with all applicable requirements of the Exchange Act and the rules and regulations thereunder with respect to matters set forth in this Section 105. Nothing in this Section 1 shall be deemed to affect any rights of shareholders to request inclusion of proposals in the Corporation's proxy statement pursuant to Rule 14a-8 under the Exchange Act.

ARTICLE II - DIRECTORS AND BOARD MEETINGS

Section 201 - Management by Board of Directors
The business and affairs of the Corporation shall be managed under the direction of its Board of Directors. The Board of Directors may exercise all such powers of the Corporation and do all such lawful acts and things as are not by statute, regulation, the Certificate of Incorporation or these Bylaws directed or required to be exercised or done by the shareholders.

Section 202 - Directors Must be Shareholders
Every director must be a shareholder of the Corporation and shall own in his/her own right the number of shares (if any) required by law in order to qualify as such director. Any director shall forthwith cease to be a director when he/she no longer holds such shares, which fact shall be reported to the Board of Directors by the Secretary, whereupon the Board of Directors shall declare the seat of such directors vacated.

Section 203 - [Intentionally Omitted]

Section 204 - Number of Directors
The Board of Directors shall consist of not less than five (5) nor more than twenty-five (25) persons, the exact number to be fixed and determined from time to time by resolution of a majority of the full Board of Directors.

Section 205 – Election, Resignation and Removal
Directors shall be elected at each annual meeting of the shareholders, each to hold office until the next annual meeting of shareholders and until his or her successor is elected and qualified, or until his or her resignation or removal. A director may resign by written notice to the corporation. The resignation is effective upon its receipt by the Corporation or a subsequent time as set forth in the notice of resignation. A director or all of the directors on the Board of Directors may be removed, with cause, by vote of the holders of a majority of the shares entitled to vote at an election of directors.

Section 206 - Vacancies
Subject to Article VIII, vacancies in the Board of Directors occurring by reason of death, resignation, removal, increase in the number of directors or otherwise shall be filled by the affirmative vote of a majority of the remaining directors (even if less than a quorum of the Entire Board of Directors), unless filled by proper action of the shareholders of the Corporation. Each person so elected shall be a director for a term of office continuing only until the next election of directors by the shareholders.

Section 207 - Compensation of Directors
Directors, as such, may receive, pursuant to resolution of the Board of Directors, fixed fees, including any combination of a retainer payment(s) and meeting fees, and other compensation for their services as Directors, including, without limitation, their services as members of committees of the Board of Directors. Directors may also receive stock benefits under any stock benefit plan approved by the shareholders of the Corporation. The Corporation may reimburse directors for expenses related to their duties as a member of the Board.

Section 208 - Organization Meeting
The President or Secretary, upon receiving the certificate of the judges, of the result of any election, shall notify the directors-elect of their election and of the time at which they are required to meet for the purpose of organizing the new Board and electing and appointing officers of the Corporation for the succeeding year. Such meeting shall be held on the day of the election or as soon thereafter as practicable, and, in any event, within thirty days thereof. If, at the time fixed for such meeting, there shall not be a quorum present, the directors present may adjourn the meeting, from time to time, until a quorum is obtained.

Section 209 - Regular Meetings
Regular meetings of the Board of Directors shall be held on such day, at such hour, and at such place, consistent with applicable law, as the Board shall from time to time designate or as may be designated in any notice from the Secretary calling the meeting. Notice need not be given of regular meetings of the Board of Directors which are held at the time and place designated by the Board of Directors.

If a regular meeting is not to be held at the time and place designated by the Board of Directors, notice of such meeting, which need not specify the business to be transacted thereat and which may be either verbal or in writing, shall be given by the Secretary to each member of the Board at least twenty-four (24) hours before the time of the meeting.

A majority of the members of the Board of Directors shall constitute a quorum for the transaction of business. If at the time fixed for the meeting, including the meeting to organize the new Board following the annual meeting of shareholders, a quorum is not present, the directors in attendance may adjourn the meeting from time to time until a quorum is obtained.

Except as otherwise provided herein, a majority of those directors present and voting at any meeting of the Board of Directors, shall decide each matter considered. A director cannot vote by proxy, or otherwise act by proxy at a meeting of the Board of Directors.

Section 210 - Special Meetings
Special meetings of the Board of Directors may be called by the President, the Executive Vice President, or at the request of three or more members of the Board of Directors. A special meeting of the Board of Directors shall be deemed to be any meeting other than the regular meeting of the Board of Directors. Notice of the time and place of every special meeting, which need not specify the business to be transacted thereat and which may be either verbal or in writing, shall be given by the Secretary to each member of the Board at least twenty (24) hours before the time of such meeting excepting the Organization Meeting following the election of directors.

Section 211 - Reports and Records
The reports of officers and Committees and the records of the proceedings of all Committees shall be filed with the Secretary of the Corporation and presented to the Board of Directors, if practicable, at its next regular meeting. The Board of Directors shall keep complete records of its proceedings in a minute book kept for that purpose. When a director shall request it, the vote of each director upon a particular question shall be recorded in the minutes.

ARTICLE III - COMMITTEES

Section 301 - Committees
The Board of Directors, by a vote of a majority of the Board, may from time to time designate such committees, including without limitation an executive committee, of the Board of Directors as it deems necessary or appropriate for the conduct of the affairs of the Corporation. The Board of Directors may confer on such committees such powers and duties as it deems appropriate, unless proscribed by law. The committees shall serve at the pleasure of the Board.

Section 302 - Appointment of Committee Members
The Board of Directors shall elect the members of the Committees and the Chairperson and Vice Chairperson of each such Committee to serve until the next annual meeting of shareholders.

Section 303 - Organization and Proceedings
Each Committee of the Board of Directors may effect its own organization by the appointment of a Secretary and such other officers, except the Chairperson and Vice Chairperson, as it may deem necessary. A record of proceedings of all Committees shall be kept by the Secretary of such
Committee and filed and presented as provided in Section 211 of these Bylaws.

ARTICLE IV - OFFICERS

Section 401 - Officers
The officers of the Corporation shall be a Chairperson of the Board, a Vice Chairperson, a President, one (1) or more Vice Presidents (one (1) or more of whom may be designated an Executive Vice President), a Secretary, a Treasurer, and such other officers and assistant offices as the Board of Directors may from time to time deem advisable. Except for the President, Secretary and Treasurer, the Board may refrain from filling any of the said offices at any time and from time to time. The same individual may hold any two (2) or more offices except both the offices of President and Secretary. The officers shall be elected by the Board of Directors at the annual organization meeting, in the manner and for such terms as the Board of Directors from time to time shall determine. Any officer may be removed at any time, with or without cause, and regardless of the term for which such officer was elected, but without prejudice to any contract right of such officer. Each officer shall hold his office for the current year for which he was elected or appointed by the Board unless he shall resign, becomes disqualified, or be removed at the pleasure of the Board of Directors.

Section 402 - Chairperson of the Board
The Board of Directors shall elect a Chairperson of the Board at the organization meeting of the Board following each annual meeting of shareholders at which directors are elected. The Chairperson of the Board shall be a member of the Board of Directors and shall preside at the meetings of the Board and perform such other duties as may be prescribed by the Board of Directors.

Section 403 - Vice Chairperson of the Board
The Board may appoint one of its members to be Vice Chairperson of the Board. Such person shall assist the Chairperson of the Board and shall also have and may exercise such further powers and duties as from time to time may be conferred, or assigned by the Board.

Section 404 - President
The President shall have general supervision of all of the departments and business of the Corporation and shall prescribe the duties of the other officers and employees and see to the proper performance thereof. The President shall be responsible for having all orders and resolutions of the Board of Directors carried into effect. The President shall execute on behalf of the Corporation and may affix or cause to be affixed a seal to all authorized documents and instruments requiring such execution, except to the extent that signing and execution thereof shall have been delegated to some other officer or agent of the Corporation by the Board of Directors or by the President. The President shall be Chief Executive Officer and a member of the Board of Directors. In the absence or disability of the Chairperson of the Board or Vice Chairperson of the Board or his/her refusal to act, the President shall preside at meetings of the Board. In general, the President shall perform all the duties and exercise all the powers and authorities incident to such office or as prescribed by the Board of Directors.

Section 405 - Vice Presidents
The Vice President shall perform such duties, do such acts and be subject to such supervision as may be prescribed by the Board of Directors or the President. One or more vice presidents may be designated as executive or senior vice presidents. In the event of the absence or disability of the President or his/her refusal to act, the Vice Presidents, in the order of their rank, and within the same rank in the order of their authority, shall perform the duties and have the powers and authorities of the President, except to the extent inconsistent with applicable law.

Section 406 - Secretary
The Secretary shall act under the supervision of the President or such other officers as the President may designate. Unless a designation to the contrary is made at a meeting, the Secretary shall attend all meetings of the Board of Directors and all meetings of the shareholders and record all the proceedings of such meetings in a book to be kept for that purpose, and shall perform like duties for the standing Committees when required by these Bylaws or otherwise. The Secretary shall give, or cause to be given, notice of all meetings of the shareholders and of the Board of Directors. The Secretary shall keep a seal of the Corporation, and when authorized by the Board of Directors or the President, cause it to be affixed to any documents and instruments requiring it. The Secretary shall perform such other duties as may be prescribed by the Board of Directors, President, or other supervising officer as the President may designate.

Section 407 - Treasurer
The Treasurer shall act under the supervision of the President or such other assistant officer as the President may designate. The Treasurer shall have custody of the Corporation's funds and such other duties as may be prescribed by the Board of Directors, President or such other supervising officer as the President may designate.

Section 408 - Assistant Officers
Unless otherwise provided by the Board of Directors, each assistant officer shall perform such duties as shall be prescribed by the Board of Directors, the President or the officer to whom he/she is an assistant. In the event of the absence or disability of an officer or his/her refusal to act, his/her assistant officer shall, in

the order of their rank, and within the same rank in the order of their seniority, have the powers and authorities of such officer.

Section 409 - Compensation
The salaries and compensation of all officers and assistant officers shall be fixed by or in the manner designated by the Board of Directors.

Section 410 - General Powers
The officers are authorized to do and perform such corporate acts as are necessary in the carrying on of the business of the Corporation, subject always to the direction of the Board of Directors.

ARTICLE V - INDEMNIFICATION OF DIRECTORS AND OFFICERS

Section 501 - Right to Indemnification
Any person who was, is, or is threatened to be made a party to any action or proceeding, whether civil or criminal (including an action by or in the right of the Corporation or any other corporation, partnership, join venture, trust, employee benefit plan or other enterprise which any director or officer of the Corporation served in any capacity at the request of this Corporation), by reason of the fact that he, his testator or intestate, is or was a director or officer of the Corporation, or served such other corporation, partnership, joint venture, trust, employee benefit plan or other enterprise in any capacity, shall be indemnified by the Corporation against all judgements, fines, amounts paid in settlement and reasonable expenses, including attorneys' fees actually and necessarily incurred in connection with the defense or appeal of any such action or proceeding, and against any other amounts, expenses and fees similarly incurred; provided that no indemnification shall be made to or on behalf of any director or officer where indemnification is prohibited by applicable law. This right of indemnification shall include the right of a director or officer to receive payment from the Corporation for expenses incurred in defending or appealing any such action or proceeding in advance of its final disposition; provided that the payment of expenses in advance of the final disposition of an action or proceeding shall be made only upon delivery to the Corporation of an undertaking by or on behalf of the director or officer to repay all amounts so advanced if it should be determined ultimately that the director or officer is not entitled to be indemnified. The preceding right of indemnification shall be a contract right enforceable by the director or officer with respect to any claim, cause of action, action or proceeding accruing or arising while this Bylaw shall be in effect.

Section 502 - Authorization of Indemnification
Any indemnification provided for by Section 501 shall be authorized in any manner provided by applicable law or, in the absence of such law;

(a) By the Board of Directors acting by a quorum of directors who are not parties to such action or proceeding, upon a finding that there has been no judgement or other final adjudication adverse to the director or officer which establishes that his acts were committed in bad faith or were the result of active and deliberate dishonesty and were material to the cause of action so adjudicated, or that he personally gained in fact a financial profit or other advantage to which he was not legally entitled; or

(b) If a quorum under clause (a) is not obtainable, (i) by the Board upon the opinion in writing of independent legal counsel that indemnification is proper in the circumstances because there has been no such judgement or other final adjudication adverse to the director or officer, or (ii) by the shareholders upon a finding that there has been no such judgement or other final adjudication adverse to the director or officer.

Section 503 - Right of Claimant to Bring Suit
If a claim of indemnification is not paid in full by the Corporation within ninety days after a written claim has been received by the Corporation, the claimant may at any time there- after bring suit against the Corporation to recover the unpaid amount of the claim and, if successful in whole or in part, the claimant shall also be entitled to recover the expenses of prosecuting such claim.

Section 504 - Non-Exclusivity of Rights
The rights conferred on any person under this Article shall not be exclusive of any other right which may exist under any statute, provision of the Certificate of Incorporation, Bylaw, agreement, vote of shareholders or disinterested directors or otherwise.

Section 505 - Insurance
Subject to the laws of New York, the Corporation may maintain insurance, as its expense, to protect itself and any director, officer, employee or agent of the Corporation against any expense, liability or loss of the general nature contemplated by this Article, whether or not the Corporation would have the power to indemnify such person against such expense, liability or loss under the laws of New York.

Section 506 - Severability
It is the intent of the Corporation to indemnify its officers and directors to the fullest extent authorized by the laws of New York as they now exist or may hereafter be amended. If any portion of this Article shall for any reason be held invalid or unenforceable by judicial decision or legislative amendment, the valid and enforceable provisions of this Article will continue to be given effect and shall be construed so as to provide the broadest indemnification permitted by law.

ARTICLE VI - SHARES OF CAPITAL STOCK

Section 601 - Authority to Sign Share Certificates
Every share certificate of the Corporation shall be signed by the President and by either the Secretary (or one of the Assistant Secretaries) or the Treasurer (or one of the Assistant Treasurers). Certificates may be signed by a facsimile signature of the aforesaid Officers of the Corporation authorized to sign share certificates. The Board of Directors may provide by resolution or resolutions that some or all of any or all classes or series of its stock shall be uncertificated shares. Any such resolution shall not apply to shares represented by a certificate until such certificate is surrendered to the Corporation.

Section 602 - Lost or Destroyed Certificates
Any person claiming a share certificate to be lost, destroyed or wrongfully taken shall receive a replacement certificate if such person shall have:

(a) Requested such replacement certificate before the Corporation has notice that the shares have been acquired by a bona fide purchaser;

(b) Provided the Corporation with an indemnity agreement satisfactory in form and substance to the Board of Directors, or the President or the Secretary; and

(c) Satisfied any other reasonable requirements (including providing an affidavit and a surety bond) fixed by the Board of Directors, or the President or the Secretary.

ARTICLE VII - GENERAL

Section 701 - Fiscal Year
The fiscal year of the Corporation shall begin on the first (1st) day of January in each year and end on the thirty-first (31st) day of December in each year.

Section 702 - Record Date
The Board of Directors may fix any time whatsoever (but not more than sixty (60) days) prior to the date of any meeting of shareholders, or the date for the payment of any dividend or distribution, or the date for the allotment of rights, or the date when any change or conversion or exchange of shares will be made of will go into effect, as a record date for the determination of the shareholders entitled to notice of, or to vote at, any such meetings, or entitled to receive payment of any such dividend or distribution, or to receive any such allotment of rights, or to exercise the rights in respect to any such change, conversion or exchange of shares.

Section 703 - Participation in Meetings By Conference Telephone
Members of the Board of Directors, or of any committee thereof, may participate in a meeting of such Board or committee by means of conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other and such participation shall constitute presence in person at such meeting.

Section 704 - Emergency Bylaws
In the event of any emergency resulting from a nuclear attack or similar disaster, and during the continuance of such emergency, the following Bylaw provisions shall be in effect, notwithstanding any other provisions of the Bylaws:

(a) A meeting of the Board of Directors or of any Committee thereof may be called by any officer or director upon one (1) hour's notice to all persons entitled to notice whom, in the sole judgement of the notifier, it is feasible to notify;

(b) The director or directors in attendance at the meeting of the Board of Directors or of any Committee thereof shall constitute a quorum; and

(c) These Bylaws may be amended or repealed, in whole or in part, by a majority vote of the directors attending any meeting of the Board of Directors, provided such amendment or repeal shall only be effective for the duration of such emergency.

Section 705 - Severability

If a provision of these Bylaws is illegal or unenforceable as such, illegality or un-enforceability shall not affect any other provision of these Bylaws and such other provisions shall continue in full force and effect.

ARTICLE VIII - CERTAIN GOVERNANCE MATTERS

8.01 Interpretation; Definitions.

(a) The provisions of this Article VIII shall apply notwithstanding anything to the contrary set forth in these Bylaws. In the event of any inconsistency between any provision of this Article VIII and any other provision of these Bylaws, such provision of this Article VIII shall control.

(b) The following definitions shall apply to this Article VIII and otherwise as applicable in these Bylaws:

(i) "Designated Exchange" means the primary stock exchange on which the Corporation's common stock is listed.

(ii) "Effective Time" shall have the meaning set forth in the Agreement and Plan of Merger, dated as of July 1, 2020, by and between the Corporation and Dime Community Bancshares, Inc., as it may have been amended, restated, supplemented or otherwise modified from time to time.

(iii) "Entire Board of Directors" means the total number of directors which the Corporation would have if there were no vacancies.

(iv) "Legacy DCB" means Dime Community Bancshares, Inc., a Delaware corporation, which has merged with and into the Corporation effective as of the Effective Time.

(v) "Legacy DCB Directors" shall mean the directors as of the Effective Time who were directors of Legacy DCB as of immediately prior to the Effective Time and who were designated to be directors by the Board of Directors of Legacy DCB prior to the Effective Time and any additional directors nominated by the Corporate Governance and Nominating Committee pursuant to Section 8.04(b) of this Article VIII.

(vi) "Legacy Bridge Bancorp" means Bridge Bancorp, Inc., a New York corporation, as in existence immediately prior to the Effective Time.

(vii) "Legacy Bridge Bancorp Directors" shall mean the directors of the Corporation as of the Effective Time who were directors of Legacy Bridge Bancorp as of immediately prior to the Effective Time and who were designated to be directors by the Board of Directors of Legacy Bridge Bancorp prior to the Effective Time and any additional directors nominated by the Corporate Governance and Nominating Committee pursuant to Section 8.04(b) of this Article VIII.

(viii) "Specified Period" shall mean the period beginning at the Effective Time and ending on the thirty-six (36) month anniversary of the Effective Time.

(ix) "Subsidiary Bank" shall mean the Surviving Corporation's wholly owned subsidiary, Dime Community Bank.

(x) "Surviving Corporation" shall mean the Corporation, which shall have the name Dime Community Bancshares, Inc., upon the Effective Time.

8.02 Chair; Officers.

(a) Effective as of the Effective Time, (i) Kenneth J. Mahon shall serve as Executive Chairman (the "Chair") of the Board of Directors of the Surviving Corporation, (ii) Marcia Hefter shall serve as Lead

Director of the Surviving Corporation, (iii) Kevin M. O'Connor shall serve as Chief Executive Officer of the Surviving Corporation, (iv) Stuart H. Lubow shall serve as President and Chief Operating Officer of the Surviving Corporation, (v) Avinash Reddy shall serve as Senior Executive Vice President and Chief Financial Officer of the Surviving Corporation, and (vi) John M. McCaffery shall serve as Senior Executive Vice President and Chief Risk Officer of the Surviving Corporation.

(b) During the Specified Period, the Legacy DCB Directors shall have the exclusive authority to appoint, by at least a majority vote, on behalf of the Board of Directors of the Surviving Corporation, the Chair at each annual meeting, or at any special meeting at which directors are to be elected, or otherwise upon the death, resignation, removal, disqualification or other cessation of service by the Chair (or any of such individuals' successors selected and appointed pursuant to this subsection (b)).

(c) During the Specified Period, the Legacy Bridge Bancorp Directors shall have the exclusive authority to appoint, by at least a majority vote, on behalf of the Board of Directors of the Surviving Corporation, the Lead Director at each annual meeting, or at any special meeting at which directors are to be elected, or otherwise upon the death, resignation, removal, disqualification or other cessation of service by the Lead Director (or any of such individuals' successors selected and appointed pursuant to this subsection (c)).

(d) During the Specified Period, (i) any removal of any of the individuals serving in the capacities set forth in subsections (a)(iii) through (a)(vi) above, (ii) any amendment or modification to any employment or similar agreement with any officers listed in subsections (a)(iii) through (a)(vi) above, to the extent such amendment or modification would adversely affect such individual, (iii) any termination without cause of any such individual's employment by the Corporation, (iv) or any modification to any of such individual's respective duties, authority or reporting relationships as set forth in Article VIII of these Bylaws, or any relocation from such individual's respective principal office locations as specified in their respective employment agreements, shall, in each case, require the affirmative vote of at least seventy-five percent (75%) of the Entire Board of Directors.

(e) During the Specified Period, upon the death, resignation, removal, disqualification or other cessation of service by any of the individuals serving in the capacities set forth in subsection (a)(iii) through (a)(vi) above (or any of such individuals' successors selected and appointed pursuant to this subsection (e)), an individual approved by the affirmative vote of at least seventy-five percent (75%) of the Entire Board of Directors shall be appointed to serve in such capacity.

(f) The Corporation shall cause its Subsidiary Bank, effective as of the Effective Time, to adopt a bylaw amendment substantially identical to this Article VIII with respect to the matters specified in subsections (a) through (e) above.

8.03 Composition of The Board of Directors; Lead Director.

During the Specified Period:

(a) The Chair to be appointed in accordance with Article VIII shall be a Legacy DCB Director. The Chair shall provide overall leadership to enhance the effectiveness and performance of the Entire Board of Directors and act as primary spokesperson for the Entire Board of Directors, and shall, among other things, have the power and authority to (i) confer with the Chief Executive Officer of the Surviving Corporation on succession planning and key hiring and firing decisions, (ii) confer with the Chief Executive Officer on reviewing and developing strategic initiatives, including coordinating on strategic initiatives and written plans to bring to the Entire Board of Directors, (iii) confer with the Chief Executive Officer and senior executives of the Surviving Corporation on identifying and evaluating potential merger and acquisition transactions, and (iv) perform such other customary duties as the Board of Directors, upon the affirmative vote of at least seventy-five percent (75%) of the Entire Board of Directors, may give to the Chair from time to time;

(b) The Lead Director to be appointed in accordance with Article VIII shall be a Legacy Bridge Bancorp Director who shall qualify as an independent director under the rules of the Designated Exchange (and any other requirements). The Lead Director shall chair any meeting of the independent directors in executive session, and shall, among other things, have the power and authority to (i) preside at meetings of the Board of Directors at which the Chair is not present, (ii) work with the Chair and CEO to determine the information and materials provided to members of the Board of Directors, (iii) consult with the Chair on such other matters as are pertinent to the Board of Directors and the Surviving Corporation, (iv) call meetings of the independent directors, (v) serve as a liaison between the Chair and the other independent directors, and (vi) perform such other customary duties as the Board of Directors, upon the affirmative vote of at least seventy-five percent (75%) of the Entire Board of Directors, may give to the Lead Director from time to time;

(c) All vacancies resulting from the cessation of service by any Legacy Bridge Bancorp Director for any reason shall be filled with a person selected by the Corporate Governance and Nominating Committee in accordance with Section 8.04(b);

(d) All vacancies resulting from the cessation of service by any Legacy DCB Director for any reason shall be filled with a person selected by the Corporate Governance and Nominating Committee in accordance with Section 8.04(b);

(e) The Corporate Governance and Nominating Committee shall have the exclusive authority to nominate, on behalf of the Board of Directors, directors for election at each annual meeting, or at any special meeting at which Directors are to be elected, to fill each seat previously held by a Legacy Bridge Bancorp Director in accordance with Section 8.04(b); and

(f) The Corporate Governance and Nominating Committee shall have the exclusive authority to nominate, on behalf of the Board of Directors, directors for election at each annual meeting, or at any special meeting at which directors are to be elected, to fill each seat previously held by a Legacy DCB Director in accordance with Section 8.04(b).

8.04 Composition of Certain Committees.

During the Specified Period:

(a) Subject to Section 8.04(b) below, each of the Compensation Committee, the Audit Committee and the Corporate Governance and Nominating Committee of the Board of Directors shall (i) consist of at least four (4) members (subject to compliance with any independence requirements, and any other requirements, for membership on the applicable committee under the rules of the Designated Exchange), and (ii) be composed of fifty percent (50%) Legacy Bridge Bancorp Directors and fifty percent (50%) Legacy DCB Directors.

(b) For purposes of exercising the authority set forth in Sections 8.03(c), 8.03(e), and 8.04(d), the Corporate Governance and Nominating Committee shall consist of all of the Legacy Bridge Bancorp Directors who satisfy the independence requirements (and any other requirements) for nominating committee membership under the rules of the Designated Exchange. For purposes of exercising the authority set forth in Sections 8.03(d), 8.03(f), and 8.04(e), the Corporate Governance and Nominating Committee shall consist of all of the Legacy DCB Directors who satisfy the independence requirements (and any other requirements) for nominating committee membership under the rules of the Designated Exchange.

(c) The Legacy DCB Directors shall have the exclusive authority to appoint, by at least a majority vote, the initial Legacy DCB Directors on each of the Compensation Committee, the Audit Committee and the Corporate Governance and Nominating Committee. The Legacy Bridge Bancorp

Directors shall have the exclusive authority to appoint, by at least a majority vote, the initial Legacy Bridge Bancorp Directors on each of the Compensation Committee, the Audit Committee and the Corporate Governance and Nominating Committee.

(d) All vacancies on the Compensation Committee or the Audit Committee resulting from the cessation of service by any Legacy Bridge Bancorp Director for any reason shall be filled with a person selected by the Corporate Governance and Nominating Committee in accordance with Section 8.04(a) and (b).

(e) All vacancies on the Compensation Committee or the Audit Committee resulting from the cessation of service by any Legacy DCB Director for any reason shall be filled with a person selected by the Corporate Governance and Nominating Committee in accordance with Section 8.04(a) and (b).

(f) All vacancies on the Corporate Governance and Nominating Committee resulting from the cessation of service by any Legacy Bridge Bancorp Director for any reason shall be filled with a person selected and approved by a majority vote of all of the Legacy Bridge Bancorp Directors then in office, which person so selected shall satisfy the independence requirements (and any other requirements) for nominating committee membership under the rules of the Designated Exchange. All vacancies on the Corporate Governance and Nominating Committee resulting from the cessation of service by any Legacy DCB Director for any reason shall be filled with a person selected and approved by a majority vote of all of the Legacy DCB Directors then in office, which person so selected shall satisfy the independence requirements (and any other requirements) for nominating committee membership under the rules of the Designated Exchange.

(g) Upon the expiration of the Specified Period, the Compensation Committee, the Audit Committee, and the Corporate Governance and Nominating Committee established pursuant to this Section 8.04 shall be automatically disbanded, and the directors to serve on each such committee thereafter shall be designated in accordance with the Bylaws and the respective committee corporate charters.

8.05 <u>Corporate Headquarters; Name; Amendments To Article VIII</u>

(a) Effective as of and from the Effective Time, the headquarters of the Corporation will be located in Hauppauge, New York.

(b) Effective as of the Effective Time, the name of the Corporation will be "Dime Community Bancshares, Inc."

(c) In the event of any inconsistency between any provision of this Article VIII and any other provision of these Bylaws or the Corporation's other constituent documents, the provisions of this Article VIII shall control. During the Specified Period, the provisions of this Article VIII may be modified, amended or repealed, and any Bylaw provision inconsistent with such provisions may be adopted, only by the affirmative vote of at least 75% of the Entire Board of Directors.

ARTICLE IX - AMENDMENT OR REPEAL

<u>Section 801</u> - <u>Amendment or Repeal by the Board of Directors</u>

These Bylaws may be amended or repealed, in whole or in part, by a majority vote of the full Board of Directors at any regular or special meeting of the Board duly convened. Notice need not be given of the purpose of the meeting of the Board of Directors at which the amendment or repeal is to be considered.

<u>Section 802</u> - <u>Recording Amendments and Repeals</u>

The text of all amendments and repeals to these Bylaws shall be attached to the Bylaws with a notation of the date and vote of such amendment or repeal.

EXHIBIT 3.2

ARTICLE X APPROVAL OF AMENDED BYLAWS AND RECORD OF AMENDMENTS AND REPEALS

Section 901 - Approval and Effective Date

These Amended and Restated Bylaws have been approved and are effective as the Bylaws of the Corporation as of the 31st day of August, 2023.

/s/Patricia M. Schaubeck

Patricia M. Schaubeck, General Counsel and Corporate Secretary

AGREEMENT AND GENERAL RELEASE

This Agreement and General Release ("Agreement") is made by and between Dime Community Bancshares, Inc., Dime Community Bank, 898 Veterans Memorial Highway, Suite 560, Hauppauge, New York 11788 (together, "Dime" or "Company"), and Kevin O'Connor ("Executive"), collectively referred to herein as the "Parties".

WHEREAS, Executive and the Company are parties to that certain Employment Agreement, dated October 16, 2020 and effective February 1, 2021 ("Employment Agreement"), that certain Amendment to Employment Agreement, dated June 28, 2021 ("Amended Employment Agreement"), and that certain Retention Agreement dated October 16, 2020 ("Retention Agreement");

WHEREAS, in connection with the Company's succession planning, Executive will step down as Chief Executive Officer effective August 31, 2023, on which his employment term shall end (the "Separation Date") and as a member of the Company's board of directors ("Board") effective December 31, 2023;

WHEREAS, in consideration for Executive's signing and not revoking this Agreement, the Company will provide Executive with the benefits described below; and

WHEREAS, except as otherwise expressly set forth herein, the Parties intend that this Agreement shall effect a full satisfaction and release of all of the obligations owed to Executive by the Company.

NOW, THEREFORE, in consideration of the premises and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby covenant and agree as follows:

1. **Resignation from Officer and Director Positions; Last Day of Employment**. Unless otherwise agreed upon in writing, Executive's last day of employment shall be the Separation Date. Executive also agrees to resign from any and all officer positions effective August 31, 2023 and director positions that Executive held with Company effective December 31, 2023, unless the Board and Executive agree otherwise. As of the date hereof, Executive shall submit an executed letter of confirmation in the form attached hereto as Exhibit A. If, for any reason, this Paragraph or Exhibit A is deemed insufficient to effectuate such resignation, following a reasonable opportunity to review, Executive hereby authorizes Company to execute any documents or instruments consistent herewith which are necessary to effectuate such resignation or resignations, and to act as Executive's attorney-in-fact in such regard. Company will first provide Executive with a copy of such documents and provide Executive an opportunity to execute necessary documents. During the period between execution of this Agreement and the Separation Date, Executive shall continue to function as the chief executive officer ("CEO") of the Company, shall be present and involved in the operations of the Company, shall have access to information and records consistent with past practice and shall be included in meetings consistent with past practice, subject to reasonable steps being taken to transition the duties of CEO to the successor CEO. Upon execution of this Agreement, the Company and Executive shall jointly announce Executive's transition to the management team and other employees of the Company and issue an

agreed-upon press release announcing Executive's separation from the Company and the Company's transition to new CEO.

2. **Payments; Consideration**. In consideration for Executive signing this Agreement and a supplemental release agreement with a general release in the form attached as Exhibit B ("Supplemental Release") upon his Separation Date reaffirming the obligations and general release in this Agreement, and complying with all of the terms and conditions in this Agreement and the Supplemental Release that apply to Executive, the Company agrees to the following:

(a) *Base Compensation through Separation Date*. Executive shall continue to earn and receive Executive's current base salary in full, less applicable withholdings and deductions, through the Separation Date, payable pursuant to the Company's standard payroll schedule. Through the Separation Date, Executive shall also continue to be eligible for all health, disability, life, and retirement benefits plans (including tax-qualified retirement plans and the Supplemental Executive Retirement Plan in which Executive currently participates), in accordance with the Company's customary practices. However, Executive shall not further accrue paid time off. Within ten (10) business days of the Separation Date, Executive shall be paid one week of accrued and unused paid time off accrued pursuant to Company policy, which amount equals one week of base salary at Executive's current base salary rate.

(b) *Pro-rated Bonus*. Executive shall receive a pro-rated bonus of $782,546.54, which shall be in lieu of any bonus, commission, incentive or additional payment for 2023, as provided for in Sec. 7(b)(i) or any other provision of Executive's Employment Agreement.

(c) *Additional Cash Payments*. Executive shall receive:

(i) $6,226,290.00, which amounts to three years of Executive's base salary and 2022 bonus;

(ii) $1,205,850.00, which amount is intended to account for and be in lieu of any payments related to Company contributions following the Separation Date to the defined contribution plan, whether tax-qualified or non-qualified, as provided for in Sec. 7(b)(i)(B) or any other provision of the Employment Agreement;

(iii) Thirty-six (36) months of 150% of Executive's COBRA health care premiums and 150% of Executive's monthly life insurance plan premiums at level of current participation; and

(iv) reimbursement for Executive's legal fees and expenses incurred with respect to his separation from the Company, not to exceed one hundred and thirty-five thousand dollars ($135,000.00), payable within thirty (30) days of his submission of a request for such payment and supporting invoice(s)/proof of billings.

(d) *Equity Awards*. Executive's stock options and restricted and performance time-based equity awards shall be subject to any award agreements and for the avoidance of doubt, Executive shall not be entitled to any accelerated vesting and all unvested equity as of the Separation Date shall be forfeited.

(e) *COBRA*. Executive shall remain eligible to participate in Company's group health and life insurance plans until the Separation Date. After Executive's coverage ends, Executive will receive a separate notice explaining Executive's right to continuation and conversion of Executive's health benefits under the Consolidated Omnibus Reconciliation Act of 1985 ("COBRA") and/or any applicable state law. Executive is responsible for electing and paying for COBRA coverage.

(f) *Timing of Cash Payments and Withholding.* The cash payments referenced in Paragraphs 2 and its subparts of this Agreement, except as otherwise provided pursuant to Paragraph 2(c)(iv), will be paid in a lump sum within ten (10) business days after (i) the Separation Date or (ii) the 8th day after Executive signs the Supplemental Release, whichever is later, less any tax withholding required by applicable law; provided that, in no event shall the Supplemental Release be delivered by Executive later than February 22, 2024 and thus in no event shall such payments be made later than March 15, 2024.

3. **Employment Agreement and Amended Employment Agreement**. Upon execution and non-revocation of this Agreement, the Employment Agreement, the Amended Employment Agreement, and the Retention Agreement entered into by and between Executive and the Company, shall terminate in all respects except the surviving obligations contained in Section 11 of the Employment Agreement, the length of certain provisions which shall be subject to the amendments as provided for in this Paragraph 3 and Paragraph 8 of this Agreement, will continue to be in full force and effect. Executive agrees and acknowledges that because of his termination of employment with Company, Executive shall not be entitled, and hereby waives any claim, to any payment or benefit under the Employment Agreement, the Amended Employment Agreement and the Retention Agreement except as provided in Paragraph 2 of this Agreement. Notwithstanding anything to the contrary, the one-year post-employment non-solicitation and non-compete provisions as provided for in Section 11 of the Employment Agreement will take effect beginning upon December 31, 2023, or upon the effective date of the Executive's removal or resignation from the Board, whichever is later, and expire one year thereafter, unless otherwise agreed upon in writing by the Company and Executive.

4. **No Consideration Absent Execution of this Agreement**. Executive understands and agrees that Executive would not receive certain of the monies and/or benefits specified in Paragraph 2 above, except for Executive's signing and non-revocation of this Agreement, the Supplemental Release and Executive's fulfillment of all the promises contained in this Agreement that pertain to Executive.

5. **General Release, Claims Not Released and Related Provisions**.

(a) *General Release of All Claims by Executive*. Executive, Executive's heirs, executors, administrators, successors and assigns, each acting on behalf of Executive in their capacities as such (collectively referred to throughout this Agreement as "**Releasors**"), knowingly and voluntarily release and forever discharge, to the fullest extent permitted by law, Company, its parent corporation, affiliates, subsidiaries, divisions, insurers, predecessors, successors and assigns, and the current and former executives/employees, attorneys, officers, directors, agents and shareholders of Company and each of the foregoing entities affiliated with Company, each in their capacities as such, and the executive benefit plans and programs ("Executive Benefit Plans"), administrators and fiduciaries of Company and each of the entities affiliated with Company identified above, each in their capacities as such (all collectively referred to throughout this Agreement as "Releasees"), of and from any and all claims, debts, obligations, promises, covenants, agreements, contracts, endorsements, bonds, controversies, suits, actions, causes of action, judgments, damages, expenses, or demands, in law or in equity, which Executive ever had, now has, or which may arise in the future, regarding any matter arising on or before the date of Executive's execution of this Agreement, including but not limited to all claims by Executive or on Executive's behalf regarding Executive's employment at or termination of employment from Dime, any contract (express or implied), any claim for equitable relief or recovery of punitive, compensatory, or other damages or monies (including claims as to taxes), attorneys' fees, any tort, and all claims for alleged discrimination based upon age, race, color, sex, sexual orientation, marital status, religion, national origin, handicap, disability, genetic information or retaliation, including any claim, known and unknown, asserted or unasserted, which Releasors have or may have against Releasees up to and including the date Executive signs this Agreement, including, but not limited to, any alleged violation of the following laws and other sources of legal rights, as amended:

- Title VII of the Civil Rights Act of 1964;
- Sections 1981 through 1988 of Title 42 of the United States Code;
- The Executive Retirement Income Security Act of 1974 ("ERISA") (as modified below);
- The Immigration Reform and Control Act of 1986;
- The Americans with Disabilities Act of 1990;
- The Rehabilitation Act of 1973;
- The Age Discrimination in Employment Act of 1967 ("ADEA");
- The Worker Adjustment and Retraining Notification Act;
- The Occupational Safety and Health Act;
- The Fair Credit Reporting Act;
- The Family and Medical Leave Act of 1993;
- The Equal Pay Act of 1963;
- The Genetic Information Nondiscrimination Act of 2008;
- The New York Human Rights Law;
- The New York Executive Law;
- The New York Labor Law;
- The New York Civil Rights Law;
- The New York Equal Pay Law;
- The New York Whistleblower Law;
- The New York Legal Activities Law;
- The New York Wage-Hour and Wage Payment Laws and Regulations;
- The New York Minimum Wage Law;
- The New York Occupational Safety and Health Laws;
- The Non-discrimination and Anti-retaliation Provisions of the New York Workers' Compensation Law and the New York Disabilities Law;
- The New York Worker Adjustment and Retraining Notification Act;
- The New York City Human Rights Law;
- The New York City Charter and Administrative Code;

- The New York City Earned Safe and Sick Time Act;
- any other federal, state, local or other law, rule, regulation, constitution, code, guideline or ordinance;
- any public policy, contract (oral or written, express or implied), tort or common law; or
- any statute, common law, agreement or other basis for seeking or recovering any costs, fees or other expenses, including but not limited to attorneys' fees and/or costs.

(b) *Claims Not Released*. Notwithstanding anything to the contrary herein, Releasors are not waiving any rights they may have : (1) to Executive's vested accrued executive benefits under any health, welfare or retirement benefit plans of Company (including tax-qualified retirement plans and the Supplemental Executive Retirement Plan in which Executive participates) as of Executive's Separation Date; (2) to Executive's benefits and/or Executive's right to seek benefits under applicable workers' compensation, COBRA, and/or unemployment compensation statutes (the application for which shall not be contested by the Company); (3) to claims which by law cannot be waived by signing this Agreement;(4) that may arise after the date on which Executive signs this Agreement, including the right to enforce this Agreement; (5) to enforce any agreements or portions of agreements not superseded by this Agreement; and/or (6) to indemnification, contribution, advancement or defense as provided by, and in accordance with the terms of the Company by-laws, articles of incorporation, liability insurance coverage or applicable law.

(c) *Governmental Agencies*. Nothing in this Agreement prohibits or prevents Executive from filing a charge with or participating, testifying or assisting in any investigation, hearing or other proceeding before the U.S. Equal Employment Opportunity Commission, the National Labor Relations Board or a similar agency enforcing federal, state or local anti-discrimination laws. However, to the maximum extent permitted by law, Executive agrees that if such an administrative claim is made to such an anti-discrimination agency, Executive shall not be entitled to recover any individual monetary relief or other individual remedies for claims released herein. In addition, nothing in this Agreement, including but not limited to the release of claims and the confidentiality clauses, prohibits Executive from: (1) reporting possible violations of federal law or regulations, including any possible securities laws violations, to any governmental agency or entity, including but not limited to the U.S. Department of Justice, the U.S. Securities and Exchange Commission, the Federal Deposit Insurance Corporation, the U.S. Congress, any agency Inspector General, or any other applicable agency; (2) making any other disclosures that are protected under the whistleblower provisions of federal law or regulations; or (3) otherwise fully participating in any federal whistleblower programs, including but not limited to any such programs managed by the U.S. Securities and Exchange Commission, the Federal Deposit Insurance Corporation and/or the Occupational Safety and Health Administration. Moreover, nothing in this Agreement prohibits or prevents Executive from receiving individual monetary awards or other individual relief by virtue of participating in such federal whistleblower programs.

(d) *Collective/Class Action Waiver*. If any claim is not subject to release, to the extent permitted by law, Releasors waive any right or ability to be class or collective action representatives or to otherwise participate in any putative or certified class, collective or multi-party action or proceeding based on such a claim in which Company or any other Releasee identified in this Agreement is a party.

(e) *Release of Claims by Company*. In exchange for the Releasors' waiver and release of claims against the Releasees, Company, on behalf of itself and its affiliates and its executives, officers and directors in their capacity as such, expressly waives and releases any and all claims against Executive that may be waived and released by law, with the exception of claims arising out of or attributable to: (i) events, acts, or omissions taking place after Company's execution of this Agreement; (ii) Executive's breach of any terms and conditions of the Agreement; (iii) Executive's criminal activities or intentional misconduct in the course of Executive's employment with Company; (iv) Executive's breach of any other agreement that is not superseded by this Agreement; and (iv) any clawback policy that may be adopted by the Board and any clawback requirements, regulations or rules of the U.S. Securities and Exchange Commission, or any national securities exchange on which the Company has a class of securities listed, or any federal bank, or bank or financial holding company, regulatory authority having jurisdiction thereof; provided that, absent any formal clawback policy, Executive also agrees that Executive shall be required to forfeit and pay back to the Company and Dime Community Bank any bonus or other incentive compensation paid to or received by Executive if (a) a court makes a final determination that Executive directly or indirectly engaged in fraud or willful or intentional misconduct that caused or partially caused the need for a material financial restatement by the Company, or (b) the Company or Dime Community Bank is required to do so under the regulations, rules, orders, or enforcement actions of the U.S. Securities and Exchange Commission, the Federal Reserve Board or regional bank thereof, the Federal Deposit Insurance Corporation, the New York State Department of Financial Services or the national securities exchange on which the Company has a class of securities listed.

6. Acknowledgments and Affirmations.

Executive affirms that:

(a) Releasors have not filed, caused to be filed, or presently are parties to any claim against Releasees on behalf of Executive;

(b) Executive has been paid and/or has received all compensation, wages, bonuses, commissions and/or benefits which are due and payable as of the date Executive signs this Agreement, and, if applicable, Executive has reported all of the hours Executive worked while Executive was employed by Company as of the date Executive signs this Agreement;

(c) Company has granted Executive any leave to which Executive was entitled from Company under the Family and Medical Leave Act or related state or local leave or disability accommodation laws;

(d) Executive has no known workplace injuries or occupational diseases;

(e) Executive has not divulged any financial, proprietary or confidential information of Company and will continue to maintain the confidentiality of such information consistent with Company's policies, Executive's agreement(s) with Company and/or any applicable common law. As noted above, this Agreement does not limit Executive from providing any documents to the U.S. Securities and Exchange Commission as part of a whistleblower action and/or a report of possible violations of any federal securities law;

(f) Executive has not been retaliated against for reporting any allegations of wrongdoing by Company, its officers or any other Releasees described in this Agreement, including any allegations of corporate fraud;

(g) While Executive understands that this Agreement does not prohibit Executive from disclosing the factual foundation of any sexual harassment claim, Executive acknowledges by signing this Agreement that Executive has never raised or reported claims, despite having the opportunity to do so, regarding sexual harassment to anyone at the Company and does not have any basis for any sexual harassment claim against Releasees, and therefore a non-disclosure provision related to sexual harassment claims is not necessary; and

(h) Executive is not aware of any decisions by Company regarding Executive's pay and benefits through Executive's Separation Date being discriminatory based on age, disability, race, color, sex, religion, national origin or any other classification protected by law.

7. **Limited Disclosure and Return of Property**. Except as otherwise required by law, permitted by Paragraph 5(c) above or specified in this Paragraph 7, Executive agrees to refrain from disclosing to any person or entity any confidential discussions concerning his separation from the Company. No later than Executive's Separation Date, Executive will deliver to Company, without copying or reproducing: (i) all documents, files, notes, memoranda, manuals, lists, computer disks, computer databases, computer programs and/or other storage media within Executive's possession or control that reflect any trade secrets, proprietary information, financial information, personnel information, privileged information or other confidential information pertaining to Company, any other Releasees described in this Agreement, and/or any current, former or prospective customers or vendors of Company or of any other Releasees described in this Agreement ("Confidential Information"); and (ii) all items or other forms of property and/or equipment belonging to Company or to any other Releasees described in this Agreement within Executive's possession or control, including but not limited to keys, credit cards, electronic equipment, business equipment and lists of current, former or prospective customers or vendors of Company and/or of any other Releasees described in this Agreement. Promptly upon or following the Separation Date or at any other time requested by Company, Executive also agrees to delete any Confidential Information from any computer hard drive or computer system within Executive's possession or control that is not located on Company's premises. However, nothing in this paragraph will prevent Executive from retaining his contacts and personal documents/files, whether electronic or physical form (Outlook, rolodex, etc.), which the Company will assist in transferring to him on or before the Separation Date, and any documents in Executive's possession or control concerning Executive's Executive benefits and/or Executive's compensation. Notwithstanding anything in this Paragraph, Executive agrees that personal contact information gained through his employment with the Company may constitute confidential, trade secret or proprietary information and that such information may not be used, directly or indirectly, to violate his post-employment non-solicit and non-compete obligations. Company will cooperate with Executive's collection of his personal property from the premises at a time convenient for both parties and will further take all necessary steps to transfer Executive's phone number and phone to his personal account.

8. **Non-Solicitation, Non-Competition, Non-Disparagement**. Executive acknowledges and agrees to comply with the non-solicitation, non-competition, post-termination

cooperation and non-disparagement obligations contained in Section 11 of the Employment Agreement, except that any restricted period shall extend until December 31, 2024 or one-year after he is removed or resigns from all officer and director positions with the Company, whichever is later. Executive acknowledges and agrees with Section 11(e) of the Employment Agreement, which provides, among other things, that in the event of a breach or threatened breach of the post-termination restrictions in Section 11 of the Employment Agreement, the Company may seek to recover damages from the Executive. The Company's executive officers and directors will not make any statements that are disparaging of Executive and the Company will not issue any public statements or filings that reference Executive without Executive's prior review and approval, which shall not be unreasonably withheld or delayed, and shall not make any statements, private or public, that are disparaging of Executive. Executive specifically affirms that he has not and will not make any statements, verbal or written or via social media, that are defamatory or disparaging of the Company and its former or current affiliates, owners, officers, directors, employees, services, products, either directly or indirectly.

9. **Governing Law and Jury Waiver**. This Agreement shall be governed and conformed in accordance with the laws of the State of New York without regard to the State's conflict of laws provisions. If Executive or any other Releasor breaches any provision of this Agreement, Executive and Company affirm that Company may institute an action or proceeding: (a) to specifically enforce any term or terms of this Agreement; (b) to recover damages resulting from such breach in an amount to be determined by a court of competent jurisdiction; (c) to terminate Company's obligations to provide future monetary payments and benefits under this Agreement; and/or (d) to seek any other legal or equitable relief permitted by law, including but not limited to injunctive relief. Company and Executive agree that any action or proceeding relating to this Agreement or to the enforcement of this Agreement will only be brought in a court located in Suffolk County in the State of New York, and that any such action or proceeding will be heard without a jury or an advisory jury. Executive and Company waive their respective rights to bring any such action or proceeding in any other jurisdiction, or to have any such action or proceeding heard before a jury or an advisory jury.

10. **Severability**. Should any provision of this Agreement be declared illegal or unenforceable by any court of competent jurisdiction and cannot be modified to be enforceable, excluding the general release language, such provision shall immediately become null and void, leaving the remainder of this Agreement in full force and effect. If the general release language is found to be illegal or unenforceable, Executive agrees to execute a binding replacement release.

11. **Nonadmission of Wrongdoing**. Executive agrees that neither this Agreement nor the furnishing of the consideration for this Agreement shall be deemed or construed at any time for any purpose as an admission by Releasees of any wrongdoing or evidence of any liability or unlawful conduct of any kind.

12. **Indemnification.** In the event that Executive is made a party or threatened to be made a party to any claim, action, suit, or proceeding, whether civil, criminal, administrative, or investigative (a "Proceeding"), by reason of the fact that Executive is or was acting in the course and scope of his role as a director or officer of Company (including but not limited to any claim resulting from the separation of Executive from Company, and excluding any Proceeding initiated by Executive or Company related to any contest or dispute solely between Executive and Company

with respect to a breach of or enforcement of this Agreement or a claim by Executive with respect to Executive's employment with Company), Executive shall be indemnified and held harmless by Company to the maximum extent permitted under applicable law and the Company's bylaws from and against any liabilities, costs, claims, and expenses, including all costs and expenses incurred in defense of any Proceeding (including reasonable attorneys' fees). Reasonable costs and expenses incurred by the Executive in defense of such Proceeding (including attorneys' fees) shall be paid by Company in advance of the final disposition of such litigation upon receipt by Company of: (i) a written request for payment; (ii) appropriate documentation evidencing the incurrence, amount, and nature of the costs and expenses for which payment is being sought; and (iii) an undertaking adequate under applicable law made by or on behalf of Executive to repay the amounts so paid if it shall ultimately be determined that Executive is not entitled to be indemnified by Company. Through August 31, 2029, Company or any successor to Company shall maintain, at its own expense, directors' and officers' liability insurance providing coverage to Executive on terms that are no less favorable than the coverage provided to directors and similarly situated executives and former executives of Company or any successor.

13. **Amendment**. This Agreement may not be modified, altered or changed except in a writing signed by both Company and Executive that specifically refers to this Agreement.

14. **Waiver of Rights**. Executive understands that this Agreement is a legally binding document under which Releasors are giving up certain rights, including any rights Executive may have under the Age Discrimination in Employment Act of 1967 ("ADEA"). As a result, Company advises Executive to consult with an attorney of Executive's choosing before Executive signs this Agreement. Executive understands that Executive has been given twenty-one (21) calendar days from the day Executive receives this Agreement to review and consider this Agreement.

15. **Agreement**. Executive understands that, by entering into this Agreement, Executive does not waive rights or claims that may arise after the date of Executive's execution of this Agreement, including without limitation, Executive's rights or claims to secure enforcement of the terms and conditions of this Agreement. Nothing in this Agreement shall prevent Executive from (i) commencing an action or proceeding to enforce this Agreement or (ii) exercising Executive's rights under the Older Workers' Benefit Protection Act to challenge the validity of Executive's waiver of ADEA claims.

16. **Revocation**. Executive may revoke this Agreement during the period of seven (7) calendar days following the day on which Executive signs this Agreement, except that the letter attached as Exhibit A shall remain effective and non-revocable. Any revocation within this period must be submitted, in writing, to Patricia Schaubeck, General Counsel, Dime Community Bank, 898 Veterans Memorial Highway, Suite 560, Hauppauge, New York 11788, and must state: "**I hereby revoke my acceptance of our Agreement and General Release.**" The revocation must be either: (a) personally delivered to Patricia Schaubeck, General Counsel within 7 calendar days after the day Executive signs the Agreement; (b) mailed to Patricia Schaubeck, General Counsel at the address specified above by First Class United States mail and postmarked within 7 calendar days after the day Executive signs the Agreement; or (c) delivered to Patricia Schaubeck, General Counsel at the address specified above through a reputable overnight delivery service with documented evidence that it was sent within 7 calendar days after the day Executive signed the Agreement. This Agreement shall not become effective or enforceable until the eight (8^{th}) day after

the return of an executed copy of this Agreement by Executive to Company (the "Effective Date"). If the last day of the revocation period is a Saturday, Sunday or legal holiday recognized by the State of New York, then the revocation period shall not expire until the next following day which is not a Saturday, Sunday or legal holiday.

17. **Tax Treatment**. Dime may deduct or withhold from any compensation or benefits any applicable federal, state or local tax or employment withholdings or deductions resulting from any payments or benefits provided under this Agreement. In addition, it is Dime's intention that all payments or benefits provided under this Agreement comply with Section 409A of the Internal Revenue Code of 1986, as amended (the "Code"), or an exception thereto, including without limitation the six month delay for payments of deferred compensation to "key employees" upon separation from service pursuant to Section 409A(a)(2)(B)(i) of the Code (if applicable), and this Agreement shall be interpreted, administered and operated accordingly. If under this Agreement an amount is to be paid in installments, each installment shall be treated as a separate payment for purposes of Treasury Regulation Section 1.409A-2(b)(2)(iii). If any provision of this Agreement (or of any award of compensation due to Executive under this Agreement) would cause Executive to incur any additional tax or interest under Section 409A of the Code or any regulations or Treasury guidance promulgated thereunder, the Company shall modify this Agreement to make it compliant with Section 409A and maintain the value of the payments and benefits under this Agreement. Notwithstanding anything to the contrary herein, Dime does not guarantee the tax treatment of any payments or benefits under this Agreement, including without limitation under the Code, federal, state, local or foreign tax laws and regulations. In no event may Executive, directly or indirectly, designate the calendar year of any payment under this Agreement. In the event the period of notice and payment referenced in Paragraph 2 of this Agreement ends in the taxable year following Executive's termination of employment, any severance payment or deferred compensation payment shall be paid or commence in such subsequent taxable year if required under Section 409A of the Code.

18. **Beneficiaries.** In the event of Executive's death prior to the full satisfaction of all obligations of the Company pursuant to this Agreement, all remaining payments and benefits otherwise due to Executive shall be paid to Executive's estate and/or beneficiaries.

19. **Attorneys' Fees.** If any party brings any legal action for enforcement of any of the provisions of this Agreement, the prevailing party in such action will be entitled to recover their reasonable attorneys' fees incurred in prosecuting or defending such legal action.

20. **Tax Matters**. The Company and the Executive hereby recognize that: (i) the non-solicitation restriction and non-competition restriction contained in this Agreement have value, (ii) the value shall be recognized in any calculations the Company and the Executive perform with respect to determining the affect, if any, of the parachute payment provisions of Section 280G of the Code ("Section 280G"), by allocating a portion of the payments under Paragraph 2(a) of this Agreement to the fair value of the non-solicitation and non-competition restriction contained in this Agreement (the "Appraised Value"), (iii) the Company may obtain an independent appraisal to determine the Appraised Value, (iv) the Appraised Value will be considered reasonable compensation for post change in control services within the meaning of Q&A-40 of the regulations under Section 280G, and (v) any aggregate parachute payments, as defined in Section 280G, will be reduced by the Appraised Value.

21. **Entire Agreement**. This Agreement sets forth the entire agreement between Executive and Company, and fully supersedes any prior agreements, understandings or obligations between Releasors and Releasees pertaining to the subjects addressed herein, with the exception of any confidentiality, non-compete, non-solicitation and/or assignment of proprietary rights agreements or obligations previously signed or undertaken by Executive that provide additional or greater rights to Company, which remain in full force and effect. Executive acknowledges that he has not relied on any representations, promises, agreements or offers of any kind made to Executive in connection with his decision to enter into this Agreement, except for those set forth in this Agreement, the Executive Benefit Plans issued to Executive, any successor plans thereto, any summary plan description or summary of material modifications for the Executive Benefit Plans issued to Executive, and in any confidentiality, non-compete, non-solicitation and/or assignment of proprietary rights agreements or obligations previously signed or undertaken by Executive.

EXECUTIVE FREELY AND KNOWINGLY, AND AFTER DUE CONSIDERATION, ENTERS INTO THIS AGREEMENT INTENDING TO WAIVE, SETTLE AND RELEASE ALL CLAIMS RELEASORS HAVE OR MIGHT HAVE AGAINST RELEASEES AS OF THE DATE EXECUTIVE SIGNS THIS AGREEMENT.

The Parties knowingly and voluntarily sign this Agreement as of the date(s) set forth below:

Executive

By: _/s/ Kevin M. O’Connor__________
Kevin M. O’Connor

Date: July 27, 2023

Dime Community Bancshares, Inc.

By: /s/ Kenneth J. Mahon____________
Name: Kenneth J. Mahon
Title: Executive Chairman of the Board

Date: July 27, 2023

Dime Community Bank

By: /s/ Kenneth J. Mahon____________
Name: Kenneth J. Mahon
Title: Executive Chairman of the Board

Date: July 27, 2023

EXHIBIT 10.1

EXHIBIT A

To Whom It May Concern:

I, Kevin M. O'Connor, acknowledge that, to continue to facilitate a smooth transition in leadership to Stuart Lubow, effective as of August 31, 2023, I will cease to serve in the position of Chief Executive Officer of Dime Community Bancshares, Inc. (the "Company"), and any and all other officer positions with the Company and its affiliated entities, though I will continue to serve as a member of the Company's Board of Directors.

This change in my role is not a result of any disagreement or dispute with the Company or its management on matters relating to the Company's strategy, operations, financial reporting, or other policies or practices.

/s/ Kevin M. O'Connor

Name: Kevin M. O'Connor

EXHIBIT B

SUPPLEMENTAL RELEASE

In consideration for and as a condition of receiving the consideration set forth in the Agreement and General Release ("**Agreement**") between me and Dime Community Bancshares, Inc., dime Community bank, 898 Veterans memorial highway, Suite 560, Hauppauge, New York 11788 (together, "**Dime**" or the "**Company**"), I, Kevin M. O'Connor, hereby agree as follows pursuant to this supplemental release of claims ("**Supplemental Release**"):

1. **General Release of All Claims**. I, my heirs, executors, administrators, successors and assigns, each acting on behalf of me in their capacities as such (collectively referred to throughout this Supplemental Release as "**Releasors**"), knowingly and voluntarily release and forever discharge, to the fullest extent permitted by law, Company, its parent corporation, affiliates, subsidiaries, divisions, insurers, predecessors, successors and assigns, and the current and former executives/employees, attorneys, officers, directors, agents and shareholders of Company and each of the foregoing entities affiliated with Company, each in their capacities as such, and the executive benefit plans and programs ("**Executive Benefit Plans**"), administrators and fiduciaries of Company and each of the entities affiliated with Company identified above, each in their capacities as such (all collectively referred to throughout this Supplemental Release as "**Releasees**"), of and from any and all claims, debts, obligations, promises, covenants, agreements, contracts, endorsements, bonds, controversies, suits, actions, causes of action, judgments, damages, expenses, or demands, in law or in equity, which I ever had, now have, or which may arise in the future, regarding any matter arising on or before the date of my execution of this Supplemental Release, including but not limited to all claims by me or on my behalf regarding my employment at or termination of employment from Dime, any contract (express or implied), any claim for equitable relief or recovery of punitive, compensatory, or other damages or monies (including claims as to taxes), attorneys' fees, any tort, and all claims for alleged discrimination based upon age, race, color, sex, sexual orientation, marital status, religion, national origin, handicap, disability, genetic information or retaliation, including any claim, known and unknown, asserted or unasserted, which Releasors have or may have against Releasees up to and including the date I sign this Supplemental Release, including, but not limited to, any alleged violation of the following laws and other sources of legal rights, as amended:

- Title VII of the Civil Rights Act of 1964;
- Sections 1981 through 1988 of Title 42 of the United States Code;
- The Executive Retirement Income Security Act of 1974 ("ERISA") (as modified below);
- The Immigration Reform and Control Act of 1986;
- The Americans with Disabilities Act of 1990;
- The Rehabilitation Act of 1973;
- The Age Discrimination in Employment Act of 1967 ("ADEA");
- The Worker Adjustment and Retraining Notification Act;

- The Occupational Safety and Health Act;
- The Fair Credit Reporting Act;
- The Family and Medical Leave Act of 1993;
- The Equal Pay Act of 1963;
- The Genetic Information Nondiscrimination Act of 2008;
- The New York Human Rights Law;
- The New York Executive Law;
- The New York Labor Law;
- The New York Civil Rights Law;
- The New York Equal Pay Law;
- The New York Whistleblower Law;
- The New York Legal Activities Law;
- The New York Wage-Hour and Wage Payment Laws and Regulations;
- The New York Minimum Wage Law;
- The New York Occupational Safety and Health Laws;
- The Non-discrimination and Anti-retaliation Provisions of the New York Workers' Compensation Law and the New York Disabilities Law;
- The New York Worker Adjustment and Retraining Notification Act;
- The New York City Human Rights Law;
- The New York City Charter and Administrative Code;
- The New York City Earned Safe and Sick Time Act;
- any other federal, state, local or other law, rule, regulation, constitution, code, guideline or ordinance;
- any public policy, contract (oral or written, express or implied), tort or common law; or
- any statute, common law, agreement or other basis for seeking or recovering any costs, fees or other expenses, including but not limited to attorneys' fees and/or costs.

2. **Claims Not Released**. Notwithstanding anything to the contrary herein, Releasors are not waiving any rights they may have: (1) to my vested accrued executive benefits under any health, welfare or retirement benefit plans of Company (including tax-qualified retirement plans and the Supplemental Executive Retirement Plan in which I participate) as of the Separation Date, as defined in the Agreement; (2) to my benefits and/or my right to seek benefits under applicable workers' compensation, COBRA, and/or unemployment compensation statutes (the application for which shall not be contested by the Company); (3) to claims which by law cannot be waived by signing this Supplemental Release; (4) that may arise after the date on which I sign this Supplemental Release, including the right to enforce this Supplemental Release; (5) to enforce any agreements or portions of agreements not superseded by this Supplemental Release; (6) to indemnification, contribution, advancement or defense as provided by, and in accordance with the terms of the Company by-laws, articles of incorporation, liability insurance coverage or applicable law; and/or (7) to any rights, remedies or benefits pursuant to the Agreement.

3. **Governmental Agencies**. Nothing in this Supplemental Release prohibits or prevents me from filing a charge with or participating, testifying or assisting in any investigation, hearing or other proceeding before the U.S. Equal Employment Opportunity Commission, the National Labor Relations Board or a similar agency enforcing federal, state or local anti-discrimination laws. However, to the maximum extent permitted by law, I agree that if such an administrative claim is made to such an anti-

discrimination agency, I shall not be entitled to recover any individual monetary relief or other individual remedies for claims released herein. In addition, nothing in this Supplemental Release or the Agreement, including but not limited to the release of claims and the confidentiality clauses, prohibits me from: (1) reporting possible violations of federal law or regulations, including any possible securities laws violations, to any governmental agency or entity, including but not limited to the U.S. Department of Justice, the U.S. Securities and Exchange Commission, the Federal Deposit Insurance Corporation, the U.S. Congress, any agency Inspector General, or any other applicable agency; (2) making any other disclosures that are protected under the whistleblower provisions of federal law or regulations; or (3) otherwise fully participating in any federal whistleblower programs, including but not limited to any such programs managed by the U.S. Securities and Exchange Commission, the Federal Deposit Insurance Corporation and/or the Occupational Safety and Health Administration. Moreover, nothing in this Agreement prohibits or prevents me from receiving individual monetary awards or other individual relief by virtue of participating in such federal whistleblower programs.

4. **Collective/Class Action Waiver**. If any claim is not subject to release, to the extent permitted by law, Releasors waive any right or ability to be class or collective action representatives or to otherwise participate in any putative or certified class, collective or multi-party action or proceeding based on such a claim in which Company or any other Releasee identified in this Supplemental Release is a party.

5. **Waiver of Rights**. I understand that this Supplemental Release is a legally binding document under which Releasors are giving up certain rights, including any rights I may have under the Age Discrimination in Employment Act of 1967 (“ADEA”). As a result, I acknowledge that the Company has advised me to consult with an attorney of my choosing before I sign this Supplemental Release. I understand that I have been given twenty-one (21) calendar days to review and consider this Supplemental Release.

6. **Agreement**. I understand that, by executing this Supplemental Release, I do not waive rights or claims that may arise after the date of my execution of this Supplemental Release, including without limitation, my rights or claims to secure enforcement of the terms and conditions of the Supplemental Release. Nothing in this Supplemental Release shall prevent me from (i) commencing an action or proceeding to enforce the Supplemental Release or (ii) exercising my rights under the Older Workers’ Benefit Protection Act to challenge the validity of my waiver of ADEA claims.

7. **Revocation**. I may revoke this Supplemental Release during the period of seven (7) calendar days following the day on which I sign this Supplemental Release. Nothing herein constitutes a revocation of the Agreement including Exhibit A to the Agreement. Any revocation within this period must be submitted, in writing, to Patricia Schaubeck, General Counsel, Dime Community Bank, 898 Veterans Memorial Highway, Suite 560, Hauppauge, New York 11788, and must state: “I hereby revoke my acceptance of the Supplemental Release.” The revocation must be either: (a) personally delivered to Patricia Schaubeck, General Counsel within 7 calendar days after the day I sign the Supplemental Release; (b) mailed to Patricia Schaubeck, General Counsel at the address specified above by First Class United States mail and postmarked within 7 calendar days after the day I sign the Supplemental Release; or (c) delivered to Patricia Schaubeck, General Counsel at the address specified above through a reputable overnight delivery service with documented evidence that it was sent within 7 calendar days after the day I signed the Supplemental Release. This Supplemental Release shall not become effective or enforceable until the eight (8^{th}) day after the return of an executed copy of this Supplemental Release by me to Company (the “**Effective Date**”). If the last day of the revocation period is a Saturday, Sunday or legal

holiday recognized by the State of New York, then the revocation period shall not expire until the next following day which is not a Saturday, Sunday or legal holiday.

Executive

By: ______________________
Kevin M. O'Connor

Date:

Dime Community Bancshares, Inc.

By: ______________________
Name:
Title:

Date:

Dime Community Bank

By: ______________________
Name:
Title:

Date:

EXHIBIT 31.1

CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER PURSUANT TO RULE 13a-14(a)

I, Kevin M. O’Connor, certify that:

1) I have reviewed this quarterly report on Form 10-Q of Dime Community Bancshares, Inc.;

2) Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3) Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4) The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15(d)-15(f)) for the registrant and have:

   a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this quarterly report is being prepared;

   b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5) The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors:

   a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 2, 2023

/s/ Kevin M. O’Connor
Kevin M. O’Connor
Chief Executive Officer

EXHIBIT 31.2

CERTIFICATION OF PRINCIPAL FINANCIAL OFFICER PURSUANT TO RULE 13a-14(a)

I, Avinash Reddy, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Dime Community Bancshares, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15(d)-15(f)) for the registrant and have:

   a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this quarterly report is being prepared;

   b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors:

   a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 2, 2023

/s/ Avinash Reddy
Avinash Reddy
Senior Executive Vice President and Chief Financial Officer

This certification is being furnished as required by Rule 13a-14(b) under the Securities Exchange Act of 1934 (the "Exchange Act") and Section 1350 of Chapter 63 of Title 18 of the United States Code, and shall not be deemed "filed" for purposes of Section 18 of the Exchange Act or otherwise subject to the liability of that section. This certification shall not be deemed to be incorporated by reference into any filing under the Securities Act of 1933 or the Exchange Act, except as otherwise stated in such filing.

EXHIBIT 32.1

CERTIFICATION PURSUANT TO RULE 13a-14(b) 18 U.S.C. SECTION 1350,

As adopted pursuant to

SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Dime Community Bancshares, Inc. (the "Company") on Form 10-Q for the period ended June 30, 2023 as filed with the Securities and Exchange Commission, (the "Report"), we, Kevin M. O'Connor, Chief Executive Officer of the Company and, Avinash Reddy, Senior Executive Vice President and Chief Financial Officer of the Company, hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of Section 13(a) of the Securities Exchange Act of 1934, as amended; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: August 2, 2023

/s/ Kevin M. O'Connor
Kevin M. O'Connor
Chief Executive Officer

/s/ Avinash Reddy
Avinash Reddy
Senior Executive Vice President and Chief Financial Officer