

**THE FIRST OF LONG ISLAND CORPORATION
AUDIT COMMITTEE CHARTER**



PURPOSE

The purpose of the Audit Committee ("Committee") is to assist the Board of Directors ("Board") in fulfilling its oversight responsibilities by reviewing and evaluating:

- The qualifications and independence of the Independent Registered Public Accounting Firm ("Independent Auditors");
- The performance of the Corporation's Independent Auditors, internal auditing department and any vendors providing internal auditing services;
- The integrity of the Corporation's financial statements; and
- Management's responsibilities to assure that there is in place an effective system of controls reasonably designed to:
 - Safeguard the assets and income of the Corporation;
 - Assure the integrity of the Corporation's financial statements; and
 - Maintain compliance with policies, procedures, laws, regulations and regulatory guidance.

The Committee will ensure that appropriate policies, procedures and systems are in place to identify, measure, and control related risks, including risk related to the management of the auditing function.

While the Audit Committee has the responsibilities and powers set forth in this Charter, it is not the duty of the Audit Committee to plan or conduct audits or to determine that the Corporation's financial statements and disclosures are complete and accurate and are in accordance with Generally Accepted Accounting Principles ("GAAP") and applicable rules and regulations. These are the responsibilities of management and the Independent Auditors.

COMPOSITION

The Committee shall be comprised of at least three directors, each of whom shall be independent directors as defined by all applicable rules and regulations, including Section 10A(m)(3) of the Securities Exchange Act of 1934, the listing standards of the Nasdaq and Part 363 of FDICIA, and free from any relationship (including disallowed compensatory arrangements) that, in the opinion of the Board, would interfere with the exercise of independent judgment as a member of the Committee. All members of the Committee shall be able to read and understand fundamental financial statements, including a company's balance sheet, income statement and cash flow statement. As determined by the Board, at least two members of the Committee shall have banking or related financial management expertise evidenced by past employment experience in finance or accounting, requisite professional certification in accounting, or other comparable experience or background which results in the individual's financial

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sophistication, including being or having been a chief executive officer, chief financial officer or other senior officer with financial oversight responsibilities. Additionally, at least one member shall qualify as an “audit committee financial expert” in compliance with the criteria established by the Securities and Exchange Commission (“SEC”). The existence of such member, including his or her name, and whether or not he or she is independent, shall be disclosed in periodic filings as required by the SEC.

The Board appoints the Chair and members of the Committee at their annual organizational meeting. Members serve until the next annual organizational meeting or until their successors are duly appointed and qualified.

MEETINGS

The Committee shall meet as often as necessary to fulfill its duties and responsibilities, but generally not less frequently than four times per year. The presence of a majority of the members of the Committee in person or by other means of communication through which all persons participating in the meeting can hear each other shall constitute a quorum for the transaction of business. A majority vote of the Committee members present at a meeting, at which a quorum is present, shall constitute an act of the Committee. Minutes of the meetings will be approved by the Committee and maintained.

The Committee shall meet periodically with the Chief Auditor, Chief Risk Officer, Independent Auditors, and executive management in separate private sessions to discuss any matters that the Committee or these persons believe should be discussed.

The Committee may meet periodically in separate executive sessions. The Committee may request any officer or employee of the Corporation or any other professional to attend a meeting of the Committee or to meet with any members of the Committee.

DUTIES AND RESPONSIBILITIES

Independent Auditors and Internal Audit Oversight

The Independent Auditors for the Corporation are accountable to the Board and the Committee, as representatives of the stockholders, and shall report directly to the Committee. The Committee shall:

1. Appoint, retain, compensate, evaluate and, where appropriate, replace the Independent Auditors and shall advise the Board on these matters.
2. Approve all fees and terms of engagement of the Independent Auditors and shall pre- approve, or adopt appropriate procedures to pre-approve, all audit and non-audit services to be provided by the Independent Auditors (other than with respect to *de minimis* exceptions permitted under Section 10A of the Securities Exchange Act of 1934).
3. Receive from the Independent Auditors the communications required by PCAOB Auditing Standard Number 16 (“AS No. 16”) regarding their appointment and retention, and obtaining information and communicating the audit strategy including:

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- (1) significant issues discussed with management in connection with the Independent Auditor's appointment or retention, (2) establishing an understanding of the terms of the audit, (3) obtaining information relevant to the audit, and (4) the overall audit strategy, timing of the audit, and significant risks.
4. Receive from the Independent Auditors the communications required by AS No. 1301: *Communications with Audit Committees* regarding the results of the audit including: (1) significant accounting policies and practices, (2) critical accounting policies and practices, (3) critical accounting estimates, (4) significant unusual transactions, (5) the Independent Auditors evaluation of the quality of the Corporation's financial reporting including a) qualitative aspects of significant accounting policies and practices b) assessment of critical accounting policies and practices c) conclusions regarding critical accounting estimates d) significant unusual transactions e) financial statement presentation f) new accounting pronouncements g) alternative accounting treatments (6) other information in documents containing audited financial statements, (7) difficult or contentious matters for which the Independent Auditors consulted, (8) management consultation with other accountants, (9) going concern, (10) uncorrected and corrected misstatements, (11) material written communications, (12) providing and discussing a draft of the auditor's report, (13) disagreements with management, (16) difficulties encountered in performing the audit, and (14) other matters arising from the audit significant to the oversight of the financial reporting process. The required communications need not be in writing unless otherwise specified in AS No. 16, but the communications are required to be made to the Committee prior to the issuance of the Independent Auditor's report.
 5. Annually review and discuss with the Independent Auditors all significant relationships the Independent Auditors have with the Company to determine independence. At least annually, assess the performance of the Independent Auditors and obtain and review a report of the Independent Auditors describing the internal quality control procedures, any material issues raised by the most recent internal quality control review, PCAOB review, or by any inquiry or investigation by governmental or professional authorities, within the preceding five (5) years, respecting one or more audits carried out by the firm, and any steps taken to deal with any such issues.
 6. Review and approve the appointment, replacement, reassignment or dismissal of the Chief Auditor who shall report directly to the Committee, but may report to the Chief Executive Officer or Chief Risk Officer for administrative purposes only. The Committee shall review and approve the Chief Auditor's risk assessment, proposed annual audit plan and financial budget and staffing. The Committee shall receive periodic reports from the Chief Auditor on the completion status of the annual audit plan, a summary of changes made to such plan and follow up on findings from completed audits.
 7. Review, at least annually, the Internal Audit Charter and approve any proposed changes.

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Financial statement and disclosure matters

8. Review and discuss with management, the Independent Auditors and the Chief Auditor the annual audited financial statements, Form 10-K, Form 10-Qs, Call Reports and earnings press releases prior to their filing, including reviewing the Corporation's specific disclosures made in "Management's Discussion and Analysis of Financial Condition and Results of Operation." Recommend to the Board that the audited financial statements be included in the annual report on Form 10-K for filing with the SEC.
9. Review and discuss the Corporation's major financial and accounting risk exposures and the steps management has undertaken to control them.

Regulatory and other oversight responsibilities

10. Receive from the Chief Auditor, periodically, and from management, as appropriate, communications and presentations on significant operating and control issues in internal audit reports, management letters and regulatory authorities' examination reports, and on the initiation and status of significant special investigations; and initiate such other inquiries into the affairs of the Corporation, as it deems necessary or appropriate.
11. Receive periodic presentations from management and the Independent Auditors on the identification and resolution status of material weaknesses and reportable conditions in the internal control environment, including any significant deficiencies in the design or operation of internal controls that could adversely affect the corporation's ability to record, process, summarize and report financial data, and on any fraud, whether or not material, that involves management or other employees who have a significant role in the Corporation's internal controls.
12. Review all related party transactions, as defined by applicable NASD Rules to which the Corporation is a party and require proxy statement disclosure.
13. Review regulatory authorities' examination reports pertaining to the Corporation and its subsidiaries.
14. Review management reports issued by the Corporation in accordance with FDICIA and the corresponding Independent Auditor's attestation and agreed-upon procedures reports.

Other areas of Responsibility

15. Review the Committee's Charter at least annually and submit any recommended changes to the Governance and Nominating Committee for review and submission to the Board for approval. The Charter shall be posted on the Corporation's website.
16. Conduct a self-assessment of the Committee's performance with respect to the requirements of this Charter and report the results to the Governance and Nominating Committee for review and reporting to the Board.

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17. Report regularly to the Board on the Committee's activities, including review of any issues that arise with respect to the quality or integrity of the Corporation's financial statements, the Corporation's compliance with legal or regulatory requirements, the performance and independence of the Independent Auditors, or the performance of the Chief Auditor.
18. Assure procedures are in place for the receipt, retention and treatment of complaints received by the Corporation regarding accounting, internal accounting controls or auditing matters, and for the confidential, anonymous submission by employees of the Corporation of concerns regarding questionable accounting or auditing matters.
19. Prepare the Audit Committee report required by the rules of the Securities and Exchange Commission to be included in the Corporation's annual proxy statement.
20. Provide new Committee members with formal and informal training as deemed appropriate by the Committee Chair.
21. Perform any other activities consistent with this Charter, the Corporation's by-laws and governing law, as the Committee or the Board deems necessary or appropriate.

RESOURCES AND AUTHORITY

The Committee shall be given the resources and assistance necessary to discharge its responsibilities, including unrestricted access to senior management of the Corporation and other employees and documents. The Committee has the authority to retain outside counsel and other professional advisors, as deemed appropriate, in fulfilling its duties and responsibilities under this Charter. It shall have the sole authority to retain and dismiss any consultant or firm, and to approve the fees and other retention terms for such parties.