

OCEANFIRST FINANCIAL CORP
Form DEF 14A
March 27, 2012

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

SCHEDULE 14A INFORMATION

**Proxy Statement Pursuant to Section 14(a) of the
Securities Exchange Act of 1934**

Filed by the Registrant

Filed by a party other than the Registrant

Check the appropriate box:

- Preliminary Proxy Statement
- Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**
- Definitive Proxy Statement
- Definitive Additional Materials
- Soliciting Material Pursuant to ss. 240.14a-12

OceanFirst Financial Corp.

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

- No fee required.
- Fee computed on table below per Exchange Act Rules 14a-6(a)(1) and 0-11.

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

N/A

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

N/A

(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

N/A

(4) Proposed maximum aggregate value of transactions:

N/A

(5) Total fee paid:

N/A

.. Fee paid previously with preliminary materials.

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(1) Amount Previously Paid:

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

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(3) Filing Party:

N/A

(4) Date Filed:

N/A

OCEANFIRST FINANCIAL CORP.
975 HOOPER AVENUE
TOMS RIVER, NEW JERSEY 08754-2009
(732) 240-4500

March 30, 2012

Dear Stockholder:

You are cordially invited to attend the Annual Meeting of Stockholders of OceanFirst Financial Corp. (the Company), the holding company for OceanFirst Bank. The Annual Meeting will be held on Thursday, May 10, 2012, at 10:00 a.m., Eastern time, at the Crystal Point Yacht Club, 3900 River Road, at the intersection of State Highway 70, Point Pleasant, New Jersey, 08742.

The Notice of Annual Meeting and the proxy statement appearing on the following pages describe the formal business to be transacted at the Annual Meeting. The Company's directors and officers, as well as a representative of KPMG LLP, the Company's independent registered public accounting firm, will be present at the Annual Meeting to respond to appropriate questions.

It is important that your shares are represented this year whether or not you are personally able to attend the meeting. Your cooperation is appreciated since a majority of the common stock must be represented, either in person or by proxy, to constitute a quorum for the conduct of business. You may still vote your shares by proxy by signing and returning the enclosed proxy card promptly.

On behalf of the Board of Directors and all of the employees of the Company and OceanFirst Bank, we thank you for your continued interest and support.

Sincerely yours,

John R. Garbarino
Chairman

OCEANFIRST FINANCIAL CORP.

975 HOOPER AVENUE

TOMS RIVER, NEW JERSEY 08754-2009

NOTICE OF 2012 ANNUAL MEETING OF STOCKHOLDERS

- TIME AND DATE** 10:00 a.m. on Thursday, May 10, 2012.
- PLACE** The Crystal Point Yacht Club, 3900 River Road, at the intersection of State Highway 70, Point Pleasant, New Jersey.
- ITEMS OF BUSINESS**
- (1) The election of three directors of the Company;
 - (2) An advisory vote on executive compensation as disclosed in these materials;
 - (3) The ratification of the appointment of KPMG LLP as the Company's independent registered public accounting firm for the fiscal year ending December 31, 2012; and
 - (4) Such other matters as may properly come before the Annual Meeting or any adjournments thereof. The Board of Directors is not aware of any other business to come before the annual meeting.
- RECORD DATE** In order to vote, you must have been a stockholder at the close of business on March 15, 2012.
- PROXY VOTING** It is important that your shares be represented and voted at the meeting. You can vote your shares by completing and returning the enclosed proxy card or voting instruction card. Voting instructions are printed on your proxy card and included in the accompanying proxy statement. You can revoke a proxy at any time prior to its exercise at the meeting by following the instructions in the proxy statement.

Steven J. Tsimbinos
Corporate Secretary

NOTE: Whether or not you plan to attend the Annual Meeting, please vote by marking, signing, dating and promptly returning the enclosed proxy card in the enclosed envelope.

OCEANFIRST FINANCIAL CORP.

PROXY STATEMENT

ANNUAL MEETING OF STOCKHOLDERS

MAY 10, 2012

This proxy statement is being furnished to stockholders of OceanFirst Financial Corp. (the Company), the holding company of OceanFirst Bank (the Bank), in connection with the solicitation by the Board of Directors of proxies to be used at the Annual Meeting of Stockholders to be held on Thursday, May 10, 2012, at 10:00 a.m. Eastern time, at the Crystal Point Yacht Club, 3900 River Road, at the intersection of State Highway 70, Point Pleasant, New Jersey, 08742 and at any adjournment or postponement of the Annual Meeting. The Annual Report of Stockholders, including the consolidated financial statements of the Company and its subsidiaries for the fiscal year ended December 31, 2011, accompanies this proxy statement. This proxy statement is first being mailed to record holders on or about March 30, 2012.

VOTING AND PROXY PROCEDURE

Who Can Vote at the Annual Meeting

You are entitled to vote your shares of the Company's common stock only if the records of the Company show that you held your shares as of the close of business on March 15, 2012. As of the close of business on that date, a total of 18,588,581 shares of the Company's common stock were outstanding and entitled to vote. Each share of common stock has one vote. As provided in Article Fourth of the Company's Certificate of Incorporation, record holders of common stock who beneficially own in excess of 10% of the outstanding shares of common stock are not entitled to any vote in respect of the shares held in excess of this limit. A person or entity is deemed to beneficially own shares owned by an affiliate of, as well as by persons acting in concert with, such person or entity. The Company's Certificate of Incorporation authorizes the Board of Directors (i) to make all determinations necessary to implement and apply the limit, including determining whether persons or entities are acting in concert, and (ii) to demand that any person who is reasonably believed to beneficially own stock in excess of the limit supply information to the Company to enable the Board of Directors to implement and apply the limit.

Attending the Annual Meeting

If you are a beneficial owner of the Company's common stock held by a broker, bank or other nominee (i.e., in street name), you will need proof of ownership to be admitted to the Annual Meeting. A recent brokerage statement or letter from a bank or broker are examples of proof of ownership. If you want to vote your shares held in street name in person at the meeting, you must obtain a written proxy in your name from the broker, bank or other nominee who is the record holder of your shares.

Quorum and Vote Required

The Annual Meeting will be held only if there is a quorum. A majority of the outstanding common shares entitled to vote and represented at the Annual Meeting constitutes a quorum. If you return valid proxy instructions or attend the meeting in person, your shares will be counted for purposes of determining whether there is a quorum, even if you abstain from voting. Broker non-votes also will be counted for purposes of determining the existence of a quorum. A broker non-vote occurs when a broker, bank or other nominee holding shares for a beneficial owner does not receive voting instructions from the beneficial owner and casts an uninstructed vote.

In voting on Proposal 1, the election of directors, you may vote in favor of all nominees, withhold votes as to all nominees or withhold votes as to specific nominees. There is no cumulative voting for the election of directors. Directors are elected by a plurality of the votes cast at the Annual Meeting. This means that the nominees receiving the greatest number of votes will be elected. Broker non-votes may not be counted as votes cast in the election of directors. Votes that are withheld and broker non-votes will have no effect on the outcome of the election.

In voting on Proposal 2, the advisory vote on executive compensation, and Proposal 3, ratification of the appointment of KPMG LLP as the independent registered public accounting firm, you may vote in favor of each of those proposals, against each of those proposals or abstain from voting. To be approved, these matters require the affirmative vote of a majority of the votes cast at the Annual Meeting. Broker non-votes will not be counted as votes cast and will have no effect on the voting, while abstentions will have the same effect as a vote against the proposals.

Voting by Proxy; Revocation of Proxy; Board Recommendations

This proxy statement is being sent to you by the Company's Board of Directors for the purpose of requesting that you allow your shares of Company common stock to be represented at the Annual Meeting by the persons named in the enclosed proxy card. All shares of Company common stock represented at the Annual Meeting by properly executed and dated proxies will be voted in accordance with the instructions indicated on the proxy card. If you sign, date and return a proxy card without giving voting instructions, your shares will be voted as recommended by the Company's Board of Directors. **The Board of Directors recommends the following votes:**

FOR each of the nominees for director;

FOR the approval, on an advisory basis, of the compensation of the Company's named executive officers as disclosed in these materials; and

FOR ratification of KPMG LLP as the Company's independent registered public accounting firm.

If any matters not described in this proxy statement are properly presented at the Annual Meeting, the persons named in the proxy card will use their own judgment to determine how to vote your shares. This includes a motion to adjourn or postpone the Annual Meeting in order to solicit additional proxies. If the Annual Meeting is adjourned or postponed, your Company common stock may be voted by the persons named in the proxy card on the new meeting dates as well, unless you have revoked your proxy. The Company does not know of any other matters to be presented at the Annual Meeting.

You may revoke your proxy at any time before the vote is taken at the Annual Meeting. To revoke your proxy you must either advise the Corporate Secretary of the Company in writing before your common stock has been voted at the Annual Meeting, deliver a later dated and signed proxy card, or attend the Annual Meeting and vote your shares in person. Attendance at the Annual Meeting will not in itself constitute revocation of your proxy.

If your Company common stock is held in street name, you will receive instructions from your broker, bank or other nominee that you must follow in order to have your shares voted. Your broker, bank or other nominee may allow you to deliver your voting instructions via the telephone or the Internet. Please see the instruction form provided by your broker, bank or other nominee, that accompanies this proxy statement.

Participants in OceanFirst Financial Corp.'s and OceanFirst Bank's Benefit Plans

Participants in the OceanFirst Bank Employee Stock Ownership Plan or the OceanFirst Bank Matching Contribution Employee Stock Ownership Plan (collectively the ESOP), or the OceanFirst Bank Retirement Plan, (the 401(k) Plan), will receive a voting instruction form for each plan that reflects all shares they may vote under the particular plan. Under the terms of the ESOP, the trustee votes all shares held by the ESOP, but each ESOP participant may direct the trustee how to vote the shares of the Company common stock allocated to his or her account. The ESOP trustee, subject to the exercise of its fiduciary duties, will vote all unallocated shares of Company common stock held by the ESOP and allocated shares of Company common stock for which no voting instructions are received in the same proportion as shares for which it has received timely voting instructions. Under the terms of the 401(k) Plan, a participant is entitled to direct the trustee how to vote the shares of Company common stock in the plan credited to his or her account. The trustee will vote all shares for which no directions are given or for which timely instructions were not received in the same proportion as shares for which such trustee received timely voting instructions. The deadline for returning voting instructions to each plan's trustee is May 4, 2012.

IF YOU HAVE ANY QUESTIONS ABOUT VOTING, PLEASE CONTACT THE COMPANY'S PROXY SOLICITOR, GEORGESON INC., BY CALLING TOLL FREE AT (866) 821-2614.

CORPORATE GOVERNANCE

General

The Company periodically reviews its corporate governance policies and procedures to ensure that the Company meets the highest standards of ethical conduct, reports results with accuracy and transparency, and maintains full compliance with the laws, rules and regulations that govern the Company's operations. As part of this periodic corporate governance review, the Board of Directors reviews and adopts best corporate governance policies and practices for the Company.

Corporate Governance Policies and Procedures

The Company has adopted a Corporate Governance Policy to govern certain activities, including:

(1) the duties and responsibilities of the Board of Directors and each director;

(2) the composition and operation of the Board of Directors;

(3) the establishment and operation of Board committees;

(4) convening executive sessions of independent directors;

(5) succession planning;

(6) the Board of Directors' interaction with management; and

(7) the evaluation of the performance of the Board of Directors, its committees and of the Chief Executive Officer.

In accordance with the Corporate Governance Policy, at least a majority of the directors on the Board must be independent directors as defined in the listing requirements of the Nasdaq Stock Market.

Board Leadership Structure. The Board is led by the Chairman of the Board, John R. Garbarino. Mr. Garbarino also serves as the Chief Executive Officer of the Company. The Board believes that, because of Mr. Garbarino's leadership and experience, having combined roles of Chairman and CEO provides an efficient and effective leadership model for the Company by fostering clear accountability, effective decision-making, and alignment on corporate strategy. In 2010, the Company separated the position of President from Chief Executive Officer in part to provide Mr. Garbarino with a greater ability to focus on Board leadership and management oversight. To assure effective independent oversight, the Board has adopted a number of governance practices, including:

the establishment of an independent lead director (the Lead Director);

executive sessions of the independent directors at least twice per year to discuss, among other matters, the performance of the CEO, management succession planning and such other matters as the independent directors deem appropriate;

the opportunity at each regularly scheduled Board meeting to enter into executive session if desired by the independent directors;

the independence of seven of eight of the Board members;

stock ownership guidelines for directors and those executive officers named in the Summary Compensation Table below (the NEOs);

annual performance evaluation of the Chairman and CEO by the independent directors; and

the Company's Board Committees are comprised entirely of independent members.

The Company's Corporate Governance Policy provides that the Chairman of the Corporate Governance/Nominating Committee, currently Mr. John E. Walsh, shall also serve as the Lead Director. The Corporate Governance Policy provides that the duties of the Lead Director include assisting the Board in assuring compliance with and implementation of the Company's Corporate Governance Policy, coordinating the agenda for and moderating sessions of the Board's independent directors, and acting as principal liaison on certain issues between the independent and inside directors, including the Chairman of the Board, as applicable.

While the Board believes that the current leadership structure is best suited for the Company, it recognizes that other leadership models in the future might be appropriate, depending on the circumstances. Accordingly, the Board periodically reviews its leadership structure.

Stock Ownership Guidelines. Effective February 21, 2007, upon the recommendation of the Corporate Governance/Nominating Committee, the Board adopted the stock ownership guidelines (the Guidelines) for non-employee directors and the NEOs. The Guidelines were adopted to better align the interests of the non-employee directors and the NEOs with those of the Company's stockholders. The Guidelines provide that each non-employee director must own shares of the Company's common stock with a market value of at least three times the value of the combined annual director retainers received from the Company and the Bank. Current directors are expected to attain the minimum ownership within three years of adoption of the Guidelines. Newly elected directors must meet the Guidelines within three years of first being elected and qualified. For purposes of the Guidelines, the following shares count towards meeting the ownership requirements: (1) shares beneficially owned by the director and by immediate family members sharing the same household; (2) vested and unvested restricted stock awards; (3) shares acquired upon the exercise of stock options; and (4) shares held in trust where the director or an immediate family member is the beneficiary. Until the Guidelines are met, all retainers will be paid in Company stock, and a director must retain the net shares delivered upon the vesting of restricted share awards or the exercise of stock options. Once achieved, the ownership guidelines must continue to be met during the period the director serves on the Board.

Similarly, the Guidelines require the Chief Executive Officer to own Company stock with a market value of at least five times his annual base salary. The other NEOs must own Company stock with a market value of at least three times their annual base salary. Each officer must meet the share ownership requirements within the later of five years of the Guidelines' adoption or the officer having become an NEO. Shares that count towards the Guidelines' requirement include those shares listed under the directors share ownership requirements with the addition of shares held in the officer's ESOP and 401(k) account and the value of vested and unvested stock options, where such value is calculated as the cumulative expense recognized by the Company on its financial statements.

Board Role in the Oversight of Risk

Under the Company's Corporate Governance Policy, the business and affairs of the Company are managed by the officers under the direction of the Board. The Board is charged with providing oversight of the Company's risk management processes. The Audit Committee is primarily responsible for overseeing the risk management function at the Company on behalf of the Board. In carrying out its responsibilities, the Audit Committee works closely with the Company's Chief Risk Officer and other officers of the Company involved in risk management. The Audit Committee meets at least quarterly with executive management, the Chief Risk Officer, the internal auditor and the independent registered public accounting firm and receives a comprehensive report on risk management, including management's assessment of risk exposures (including risks related to liquidity, credit, operations and regulatory compliance, among others), and the processes in place to monitor and control such exposures. The Audit Committee also receives updates between meetings, as may be necessary, from the Chief Risk Officer, the Chief Executive Officer, the President, the Chief Financial Officer and other members of management relating to risk oversight matters. The Audit Committee provides a report to the full Board on at least a quarterly basis. In addition, each quarter, the Audit Committee will discuss with management and the independent registered public accountant their review of the Company's financial statements and significant findings based upon the independent registered public accounting firm's review. The Company's Chief Risk Officer performs a risk-based assessment of each of the Bank's products, services, operations and regulatory requirements to determine the overall risk to the Bank. The Chief Risk Officer's compliance report, including the latest risk-based assessment, is provided annually to the Board. In addition, the Human Resources/Compensation Committee (the Compensation Committee) reviews with the Chief Risk Officer the Company's compensation plans for all employees, including the CEO and other NEOs, to ensure that these plans do not encourage taking unnecessary and excessive risks that would threaten the value of the Company.

Code of Ethics and Standards of Personal Conduct

The Company and Bank have adopted a Code of Ethics and Standards of Personal Conduct that is designed to ensure that all directors, executive officers and employees of the Company and Bank, meet the highest standards of ethical conduct. The Code of Ethics and Standards of Personal Conduct requires that all directors, executive officers and employees avoid conflicts of interest, protect confidential information and customer privacy, comply with all laws and other legal requirements, conduct business in an honest and ethical manner and otherwise act with integrity and in the Company's best interest. Under the terms of the Code of Ethics and Standards of Personal Conduct, all directors, executive officers and employees are required to report any conduct that they believe in good faith to be an actual or apparent violation of the Code.

As a mechanism to encourage compliance with the Code of Ethics and Standards of Personal Conduct, the Company and Bank established procedures to receive, retain and treat complaints received regarding accounting, internal accounting controls or auditing matters. These procedures ensure that individuals may submit concerns regarding questionable accounting or auditing matters in a confidential and anonymous manner. The Code of Ethics and Standards of Personal Conduct also prohibits the Company from retaliating against any director, executive officer or employee who reports actual or apparent violations of the Code.

Meetings of the Board of Directors

The Board of Directors of the Company and the Bank conduct business through meetings and the activities of the Boards and their committees. Board members are encouraged to attend all Board and Committee meetings. Their attendance and performance are among the criteria considered for re-nomination to the Board of Directors. During the fiscal year ended December 31, 2011, the Company's Board of Directors held 11 meetings. All of the Directors of the Company attended at least 75% of the Board meetings and the committee meetings held on which such Directors served during the fiscal year ended December 31, 2011. The Board of Directors of the Company maintains an Audit Committee, a Compensation Committee and a Corporate Governance/Nominating Committee.

Committees of the Board of Directors

The following table identifies the standing committees and their members as of December 31, 2011.

Director	Audit Committee	Corporate Governance/ Nominating Committee	Human Resources/ Compensation Committee
Joseph J. Burke	X*	X	
Angelo Catania	X		X
John W. Chadwick		X	
Donald E. McLaughlin	X		
Diane F. Rhine			X*
Mark G. Solow			
John E. Walsh		X*	X

Number of Meetings in 2011

* Chairperson

Audit Committee. The Board of Directors has a separately-designated standing Audit Committee for the Company and Bank established in accordance with Section 3(a)(58)(A) of the Securities Exchange Act of 1934, as amended (the Exchange Act). The Audit Committee acts under a written Charter adopted by the Board of Directors. The Charter is available on the Company's website (www.oceanfirst.com). Each member of the Audit Committee is independent in accordance with the listing standards of the Nasdaq Stock Market (Nasdaq). The Audit Committee meets periodically with the independent registered public accounting firm and management to review accounting, auditing, internal control structure and financial reporting matters. The Board has determined

that Joseph J. Burke, the Audit Committee Chairman, Angelo Catania and Donald E. McLaughlin are audit committee financial experts under the Rules of the Securities and Exchange Commission (the Commission). The report of the Audit Committee required by the Rules of the Commission is included in this proxy statement. See *Proposal 3 Ratification of Independent Registered Public Accounting Firm Report of Audit Committee*.

Corporate Governance/Nominating Committee. The Corporate Governance/Nominating Committee of the Company takes a leadership role in shaping governance policies and practices, including recommending to the Board of Directors the corporate governance guidelines applicable to the Company and monitoring compliance with these policies and guidelines. In addition, the Corporate Governance/Nominating Committee is responsible for identifying individuals qualified to become Board members and recommending to the Board the director nominees for election at the next annual meeting of stockholders. The Committee also recommends to the Board director candidates for each committee for appointment by the Board. Each member of the Corporate Governance/Nominating Committee is independent in accordance with Nasdaq listing standards. The chairman of the Corporate Governance/Nominating Committee functions as Lead Director.

The Corporate Governance/Nominating Committee acts under a written Charter and the Corporate Governance Policy adopted by the Board of Directors. The Charter is available on the Company's website (www.oceanfirst.com). The procedures of the Corporate Governance/Nominating Committee required to be disclosed by the Commission rules are included in this proxy statement. See *Corporate Governance/Nominating Committee Procedures*.

Human Resources/Compensation Committee. The Compensation Committee of the Company and the Bank meets to establish compensation for the executive officers and to review the incentive compensation program when necessary. The Compensation Committee acts under a written Charter adopted by the Board of Directors, which is available on the Company's website (www.oceanfirst.com). The Compensation Committee reviews and reassesses the adequacy of its Charter on an annual basis.

The Compensation Committee is also responsible for establishing certain guidelines and limits for compensation and benefit programs for other salaried officers and employees of the Company and the Bank. Each member of the Compensation Committee is independent in accordance with the Nasdaq listing standards. The report of the Compensation Committee required by the Commission rules is included in this proxy statement. See *Executive Compensation Compensation Committee Report on Executive Compensation*.

STOCK OWNERSHIP

The following table provides information as of March 15, 2012 with respect to the persons known by the Company to be the beneficial owners of more than 5% of its outstanding stock. A person is considered to beneficially own any shares of common stock over which he or she has, directly or indirectly, sole or shared voting or investment power.

Name and Address Of Beneficial Owner	Number of Shares Owned	Percent of Common Stock Outstanding
OceanFirst Bank, Employee Stock Ownership Plan (<u>ESOP</u>) and Matching Contribution ESOP 975 Hooper Avenue Toms River, New Jersey 08754-2009	1,899,645(1)	10.22%
OceanFirst Foundation 1415 Hooper Avenue Suite 304 Toms River, New Jersey 08753	1,308,593(2)	7.04%
Wellington Management Company, LLP 280 Congress Street Boston, Massachusetts 02210	1,258,162(3)	6.77%
Prudential Financial, Inc. 751 Broad Street Newark, New Jersey 07102-3777	1,053,451(4)	5.67%
BlackRock Inc. 40 East 52 nd Street New York, New York 10022	1,047,357(5)	5.63%

- (1) Under the terms of the ESOP and the Matching Contribution ESOP, the Trustee will vote all allocated shares held in the ESOP and the Matching Contribution ESOP in accordance with the instructions of the participants. As of March 15, 2012, 1,291,488 shares and 113,032 shares had been allocated under the ESOP and the Matching Contribution ESOP, respectively, and 495,125 shares remain unallocated under the ESOP. Under the ESOP and the Matching Contribution ESOP, allocated shares and unallocated shares as to which voting instructions are not given by participants are to be voted by the Trustee in a manner calculated to most accurately reflect the instructions received from participants regarding the allocated stock so long as such vote is in accordance with the fiduciary provisions of the Employee Retirement Income Security Act of 1974, as amended (ERISA).
- (2) All shares of Common Stock held by the Foundation must be voted in the same ratio as all other shares of the Company's Common Stock on all proposals considered by stockholders of the Company.
- (3) Based on SEC Form 13G Amendment No. 2 filed by Wellington Management Company, LLP on February 14, 2012.
- (4) Based on SEC Form 13G Amendment No. 1 filed by Prudential Financial, Inc. (Prudential) on February 14, 2012. Prudential is the indirect owner of 100% of the equity interests of Jennison Associates LLC (Jennison), which filed a separate SEC Form 13G Amendment No. 1 on February 10, 2012 for 1,020,051 shares. Prudential's and Jennison's filings state that Prudential may be deemed to be the beneficial owner of shares reported by Jennison.
- (5) Based on SEC Form 13G Amendment No. 1 filed by BlackRock Inc. on February 13, 2012.

The following table provides information as of March 15, 2012, about the shares of the Company common stock that may be considered to be beneficially owned by each director, nominee for director and the senior executive officers listed in the table under *Executive Compensation Summary Compensation Table*, and by all such directors and executive officers of the Company as a group. A person may be considered to beneficially own any shares of common stock over which he or she has, directly or indirectly, sole or shared voting or investment power. Unless otherwise indicated, each of the named individuals has sole voting power and sole investment power with respect to the shares shown.

Name	Number of Shares Owned (excluding options)(1)	Number of Shares That May Be Acquired Within 60 Days by Exercising Options	Total Number of Shares Beneficially Owned	Percent of Common Stock Outstanding (2)
Directors				
Joseph J. Burke (3)	12,855	10,582	23,437	0.13%
Angelo Catania (3)	14,464	10,582	25,046	0.13%
John W. Chadwick (3)(4)	12,548	20,582	33,130	0.18%
John R. Garbarino (5)(6)(7)	549,464	415,738	965,202	5.08%
Donald E. McLaughlin (3)(8)	43,764	20,582	64,346	0.35%
Diane F. Rhine (3)(9)	44,644	20,582	65,226	0.35%
Mark G. Solow (3)	11,681		11,681	0.06%
John E. Walsh (3)	19,420	20,582	40,002	0.21%
Named Executive Officers who are not also Directors				
Vito R. Nardelli (5)(10)	52,215	117,564	169,779	0.91%
Michael J. Fitzpatrick (5)(11)	172,884	150,952	323,836	1.73%
Joseph J. Lebel, III (5)(12)	17,285	26,165	43,450	0.23%
Joseph R. Iantosca (5)(13)	21,470	45,086	66,556	0.36%
All directors and named executive officers as a group (12 persons)	972,694	858,997	1,831,691	9.42%

- (1) Each person effectively exercises sole (or shared with spouse or other immediate family members) voting power as to shares reported as of the Record Date.
- (2) Percentages with respect to each person or group of persons have been calculated on the basis of 18,588,581 shares of the Company's Common Stock, the number of shares of Company Common Stock outstanding and entitled to vote as of March 15, 2012, plus the number of shares of Company Common Stock which such person or group of persons has the right to acquire within 60 days of March 15, 2012 by the exercise of stock options.
- (3) Includes 1,890 unvested shares. Each non-employee director other than Mark G. Solow was awarded 335 restricted shares in February 2008, 355 restricted shares in February 2009, 605 restricted shares in February 2010, and 796 restricted shares in February 2011. Each non-employee director, including Mr. Solow, was awarded 681 restricted shares in February 2012. Each such award vests at a rate of 20% per year commencing on March 1 of the year following the grant. Mark G. Solow was also granted 1,000 restricted shares in December 2011, 50% of which vest on the first anniversary of the grant date and 50% on the second anniversary.
- (4) Includes 2,400 shares held by Mr. Chadwick as Trustee.
- (5) Includes 64,041, 10,090, 66,476, 4,406 and 8,290 shares held in trust pursuant to the ESOP and Matching Contribution ESOP which have been allocated to Messrs. Garbarino, Nardelli, Fitzpatrick, Lebel and Iantosca, respectively, as of March 15, 2012. Such persons have sole voting power, but no investment power, except in limited circumstances, as to such shares.
- (6) Includes 14,445 shares owned by Mr. Garbarino's wife and 11,788 shares held by Mr. Garbarino and his wife as co-Trustees.
- (7) Includes 3,870 unvested shares. Mr. Garbarino was awarded 3,000 restricted shares in February 2008, and 5,450 restricted shares in February 2010. Each such award vests at a rate of 20% per year commencing on March 1 of the year following the grant.
- (8) Includes 5,123 shares owned by Mr. McLaughlin's wife.
- (9) Includes 700 shares for which Ms. Rhine acts as custodian.
- (10) Includes 5,524 unvested shares. Mr. Nardelli was awarded 1,000 restricted shares in February 2008, 1,815 restricted shares in February 2010, 2,557 restricted shares in February 2011, and 2,190 restricted shares in February 2012. Each such award vests at a rate of 20% per year commencing on March 1 of the year following the grant.

- (11) Includes 5,053 unvested shares. Mr. Fitzpatrick was awarded 1,000 restricted shares in February 2008, 1,815 restricted shares in February 2010, 2,273 restricted shares in February 2011, and 1,946 restricted shares in February 2012. Each such award vests at a rate of 20% per year commencing on March 1 of the year following the grant.
- (12) Includes 1,700 unvested shares. Mr. Lebel was awarded 335 restricted shares in February 2008, 605 restricted shares in February 2010, 767 restricted shares in February 2011, and 657 restricted shares in February 2012. Each such award vests at a rate of 20% per year commencing on March 1 of the year following the grant.
- (13) Includes 1,842 unvested shares. Mr. Iantosca was awarded 335 restricted shares in February 2008, 355 restricted shares in February 2009, 605 restricted shares in February 2010, 767 restricted shares in February 2011, and 657 restricted shares in February 2012. Each such award vests at a rate of 20% per year commencing on March 1 of the year following the grant.

PROPOSAL 1. ELECTION OF DIRECTORS

The Company's Board of Directors currently consists of eight directors. All of the directors are independent under current Nasdaq listing standards, except for John R. Garbarino, Chairman and Chief Executive Officer of the Company and the Bank. The Board is divided into three classes with three-year staggered terms, with approximately one-third of the directors elected each year. Each of the members of the Board also serves as a director of the Bank. The Board of Directors' nominees for election this year, to serve for a three year term and until their respective successors have been elected and qualified are Ms. Diane F. Rhine and Messrs. John W. Chadwick and Mark G. Solow, each of whom is currently a director of the Company and the Bank. The experience and qualifications of each director are set forth under Nominees for Election of Director.

It is intended that the proxies solicited by the Board of Directors will be voted for the election of the nominees named above. If any nominee is unable to serve, the persons named in the proxy card will vote your shares and approve the election of any substitute proposed by the Board of Directors. Alternatively, the Board of Directors may adopt a resolution to reduce the size of the Board. At this time, the Board of Directors knows of no reason why any nominee might be unable to serve.

The Board of Directors recommends a vote FOR the election of Ms. Diane F. Rhine and Messrs. John W. Chadwick and Mark G. Solow.

Information With Respect to Nominees, Continuing Directors and Certain Executive Officers

Information regarding the Board of Directors' nominees for election at the Annual Meeting, as well as information regarding the continuing directors and the senior executive officers listed in the table under *Executive Compensation Summary Compensation Table* who are not directors is provided below. Unless otherwise stated, each individual has held his or her current position for the last five years. The age indicated for each individual is as of December 31, 2011. The indicated period of service as a director includes service as a director of OceanFirst Bank.

Nominees for Election of Director

The biographies of each of the nominees and continuing directors below contains information regarding the person's service as a director, business experience, director positions held currently or at any time during the last five years, information regarding involvement in certain legal or administrative proceedings, if applicable, and the experiences, qualifications, attributes or skills that caused the Corporate Governance/Nominating Committee and the Board to determine that the person should serve as a director for the Company. The Board of Directors has determined that the Board as a whole must have the right diversity and mix of characteristics and skills for the optimal functioning of the Board in its oversight of the Company. The Company considers the following requirements for each of its members of the Board:

1) Personal characteristics: Integrity and accountability; informed judgment; financial literacy; mature confidence; and high performance standards.

2) Core competencies: Accounting and finance; business judgment; management; crisis response; industry knowledge; regional markets; leadership; and strategy/vision.

3) Director commitment: Time and effort; awareness and ongoing education; board attendance; other board commitments; stock ownership; changes in professional responsibilities; and length of service.

4) Team and company considerations: Balancing director contributions; diversity of skills; and Company financial condition.

The following directors have been nominated by the Corporate Governance/Nominating Committee for election to the Board with terms to expire in 2015:

John W. Chadwick retired as the General Manager of Point Bay Fuel, a petroleum products distributor in late 2006. In his capacity as General Manager, Mr. Chadwick was responsible for the oversight of all aspects of the company's operation, including its sixty-nine full-time employees which serviced approximately 15,000 accounts. Mr. Chadwick was responsible for all environmental issues, permits, advertising, insurance issues, public relations, consumer credit situations, contracting and buying of petroleum products and personnel decisions. Mr. Chadwick's experience brings to the Board significant expertise in management, consumer affairs and leadership. Point Bay Fuel is not an affiliate of the Company. Mr. Chadwick has been a member of the Board of Directors since 2002. He is 70 years of age.

Diane F. Rhine has owned and operated her own real estate company since 1979. From October 2000 through November 2009, Ms. Rhine was a partner in Citta Rhine LLC. As of November 16, 2009, Ms. Rhine is President and sole owner of Citta & Cobb Inc. DBA as Rhine & Associates Inc. Ms. Rhine's more than 30 years' experience in residential real estate brokerage in Ocean County, New Jersey, brings to the Board management expertise and an extensive knowledge of the local real estate markets in which the Company conducts its business. Rhine & Associates Inc. is not an affiliate of the Company. Ms. Rhine has served on the Board of Directors since 1997. She is 62 years of age.

Mark G. Solow is a senior advisor to Crystal Ridge Partners, LLC and York Street Capital, firms which make equity investments in public and private companies. Mr. Solow served on the board of directors of Central Jersey Bank, N.A. and its holding company from their inception through 2010. Prior to his retirement in 2005, Mr. Solow was a co-founder and a Managing Partner of GarMark Advisors, LLC, the manager of private investment funds that invest in middle market companies. Prior to the formation of GarMark Advisors, LLC in 1997,