SIGNATURE BANK

To the Shareholders of Signature Bank,

Thank you for your ongoing support of and continued interest in Signature Bank. I am pleased to invite you to attend the Annual Meeting of Shareholders of Signature Bank to be held at The Roosevelt Hotel, 45 East 45th Street, New York City, on April 25, 2007 at 10:00 a.m., local time.

The accompanying Notice of Annual Meeting of Shareholders and Proxy Statement explain the matters to be voted on at the meeting. Your vote is important, regardless of the number of shares you own. On behalf of the Board of Directors, I urge you to mark, sign and return the enclosed proxy card as soon as possible, even if you plan to attend the Annual Meeting. You may, of course, revoke your proxy by notice in writing to Signature Bank's Secretary at any time before the proxy is voted. You may also access the Notice of Annual Meeting of Shareholders and the Proxy Statement via the Internet at www.signatureny.com under *"Investor Relations."* Please read the enclosed Notice of Annual Meeting of Shareholders and Proxy Statement so you will be informed about the business to come before the meeting.

Sincerely,

/s/ Joseph J. DePaolo

Joseph J. DePaolo
President, Chief Executive Officer
and Director

SIGNATURE BANK

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS
TO BE HELD ON APRIL 25, 2007

To the Shareholders of Signature Bank,

The Annual Meeting of the holders of common stock of Signature Bank will be held at The Roosevelt Hotel, 45 East 45th Street, New York City, on April 25, 2007 at 10:00 a.m., local time:

1. To elect three members of the Board of Directors to serve until their successors have been duly elected and qualified;

2. To ratify the appointment of KPMG LLP, independent registered public accounting firm, as the independent auditors for the year ending December 31, 2007; and

3. To transact such other business as may properly come before the meeting or any adjournment thereof.

The Board of Directors has fixed March 1, 2007 as the record date for the Annual Meeting with respect to this solicitation. Only holders of record of Signature Bank's common stock at the close of business on that date are entitled to notice of and to vote at the Annual Meeting or any adjournments thereof as described in the Proxy Statement.

Signature Bank's Annual Report to Shareholders for the year ended December 31, 2006 is enclosed.

WHETHER OR NOT YOU PLAN TO ATTEND THE MEETING IN PERSON, PLEASE SIGN, DATE AND RETURN THE ENCLOSED PROXY CARD IN THE ENCLOSED POSTAGE PAID ENVELOPE AS PROMPTLY AS POSSIBLE. A PROXY MAY BE REVOKED BY A SHAREHOLDER ANY TIME PRIOR TO ITS USE AS SPECIFIED IN THE ENCLOSED PROXY STATEMENT.

By Order of the Board of Directors,

/s/ Patricia E. O'Melia

Patricia E. O'Melia
Secretary

This notice of annual meeting, proxy statement and form of proxy are being distributed on or about March 19, 2007 to Signature Bank shareholders of record.

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SIGNATURE BANK
565 Fifth Avenue
New York, NY 10017

PROXY STATEMENT

The Board of Directors of Signature Bank, "we," "our," "us," or the "Company," is furnishing this Proxy Statement to solicit proxies for use at Signature Bank's Annual Meeting of Shareholders (the "2007 Annual Meeting"), to be held on April 25, 2007 at 10:00 a.m., local time, at The Roosevelt Hotel, 45 East 45th Street, New York City, and at any adjournment of the meeting. Each valid proxy received in time will be voted at the meeting according to the choice specified, if any. A proxy may be revoked at any time before the proxy is voted as outlined below.

ABOUT THE MEETING

What is the purpose of the annual meeting?

At our 2007 Annual Meeting, shareholders will act upon the following matters which are outlined in the enclosed notice of meeting:

1. The election of three members of the Board of Directors to serve until their successors have been duly elected and qualified;

2. The ratification of the Company's independent auditors; and

3. Such other business as may properly come before the meeting or any adjournment thereof.

In addition, management will report on the performance of the Company and respond to questions from shareholders.

Who is entitled to vote at the meeting?

Only shareholders of record at the close of business on March 1, 2007, the record date for the meeting, are entitled to receive notice of and to participate in the 2007 Annual Meeting. If you were a shareholder of record on that date, you will be entitled to vote all of the shares that you held on that date at the meeting, or any postponements or adjournments of the meeting.

What are the voting rights of the holders of Signature Bank common stock?

Each outstanding share of Signature Bank common stock will be entitled to one vote on each matter considered at the 2007 Annual Meeting.

Who can attend the meeting?

All shareholders as of the record date, or their duly appointed proxies, may attend the 2007 Annual Meeting. If you attend, please note that you may be asked to present valid picture identification, such as a driver's license or passport. Cameras, recording devices and other electronic devices will not be permitted at the meeting. Please also note that if you hold your shares in "street name" (that is, through a broker or other nominee), you will need to bring a copy of a brokerage statement reflecting your stock ownership as of the record date and check in at the registration desk at the meeting.

What constitutes a quorum?

The presence at the meeting, in person or by proxy, of the holders of a majority of the votes represented by the common stock issued and outstanding on the record date will constitute a quorum, permitting the meeting to conduct its business. Proxies received but marked as withheld or abstentions and broker non-votes will be included in the calculation of the number of votes considered to be present at the meeting.

How do I vote?

If you complete and properly sign the accompanying proxy card and return it to the Company, it will be voted as you direct. If you are a registered shareholder and attend the meeting, you may deliver your completed proxy card in person. "Street name" shareholders who wish to vote at the meeting will need to obtain a proxy form from the institution that holds their shares.

Can I change my vote after I return my proxy card?

Yes. Even after you have submitted your proxy, you may revoke or change your vote at any time before the proxy is exercised by filing with the Secretary of the Company either a notice of revocation or a duly executed proxy bearing a later date. The powers of the proxy holders will be suspended if you attend the meeting in person and so request, although attendance at the meeting will not by itself revoke a previously granted proxy.

What are the Board of Directors' recommendations regarding the agenda items?

Unless you give other instructions on your proxy card, the persons named as proxy holders on the proxy card will vote in accordance with the recommendations of the Board of Directors. The Board of Directors' recommendations are set forth together with the description of each item in this proxy statement. In summary, the Board of Directors recommends a vote:

- *for* the election of the nominees for the Board of Directors (see Proposal 1); and

- *for* ratification of the appointment of KPMG LLP as the Company's independent auditors for fiscal year 2007 (see Proposal 2).

With respect to any other matter that properly comes before the meeting, including an adjournment of the meeting to a later time, the proxy holders will vote as recommended by the Board of Directors or, if no recommendation is given, in their own discretion.

How are votes counted?

In the election of directors, you may vote "FOR" all of the nominees or your vote may be "WITHHELD" with respect to one or more of the nominees. For the other items of business, you may vote "FOR," "AGAINST" or "ABSTAIN." If you "ABSTAIN," the abstention has the same effect as a vote "AGAINST." If you provide specific instructions with regard to an item, your shares will be voted as you instruct on such item. If you sign your proxy card or voting instruction card without giving specific instructions, your shares will be voted in accordance with the recommendations of the Board of Directors.

What vote is required to approve each item?

Election of Directors. The affirmative vote of a plurality of the votes cast at the meeting is required for the election of directors. In other words, the three persons receiving the highest number of "FOR" votes at the 2007 Annual Meeting will be elected as directors. A properly executed proxy marked "WITHHELD" with respect to the election of one or more directors will not be voted with respect to the director or directors indicated, although it will be counted for purposes of determining whether there is a quorum present at the meeting.

A policy adopted by the Board of Directors in January 2006 provides that if a director nominee receives a greater number of votes "WITHHELD" from his or her election than votes "FOR" that director's election, the director nominee shall promptly tender his or her resignation for consideration by a committee formed by the Company's independent directors. This committee will then recommend to the full Board of Directors the action to be taken with respect to such tendered resignation. Please see "Corporate Governance Principals and Board of Director Matters – Voting for Directors" below for more information.

Other Items. For each other item, the affirmative "FOR" vote of a majority of the votes cast on the item will be required for approval. A properly executed proxy marked "ABSTAIN" with respect to any such matter will not be voted, although it will be counted for purposes of determining whether there is a quorum present at the meeting.

If you hold your shares in "street name" through a broker or other nominee, your broker or nominee may not be permitted to exercise voting discretion with respect to certain matters. Thus, if you do not give your broker or nominee specific instructions, your shares may not be voted on those matters and will not be counted in determining the number of shares necessary for approval. Shares represented by such "broker non-votes" will, however, be counted in determining whether there is a quorum present at the meeting.

What happens if additional matters are presented at the annual meeting?

Other than the items of business described in this proxy statement, we are not aware of any other business to be acted upon at the 2007 Annual Meeting. If you grant a proxy, the persons named as proxy holders will have the discretion to vote your shares on any additional matters properly presented for a vote at the meeting, including an adjournment of the meeting to a later time. If for any unforeseen reason any of our nominees is not available as a candidate for director, the persons named as proxy holders will vote your proxy for such other candidate or candidates as may be nominated by the Board of Directors.

Who will bear the cost of soliciting votes for the annual meeting?

Signature Bank is making this solicitation and will pay the entire cost of preparing, assembling, printing, mailing and distributing these proxy materials and soliciting votes. In addition to the mailing of these proxy materials, the solicitation of proxies or votes may be made in person, by telephone or by electronic communication by our directors, officers and employees, who will not receive any additional compensation for such solicitation activities.

Where can I find the voting results of the annual meeting?

We intend to announce preliminary voting results at the 2007 Annual Meeting and publish the final results in our Quarterly Report on Form 10-Q for the fiscal period ending June 30, 2007.

PRINCIPAL SHAREHOLDERS

Beneficial Ownership Table

The table below sets forth, as of February 15, 2007, information with respect to the beneficial ownership of Signature Bank's common stock by:

- each of our directors, and each of the executive officers named in the Summary Compensation Table under "Management Executive Compensation";
- each person who is known to be the beneficial owner of more than 5% of any class or series of our capital stock; and
- all of our directors and executive officers as a group.

The amounts and percentages of common stock beneficially owned are reported on the basis of applicable regulations governing the determination of beneficial ownership of securities. Under these rules, a person is deemed to be a beneficial owner of a security if that person has or shares voting power, which includes the power to vote or to direct the voting of such security, or investment power, which includes the power to dispose of or to direct the disposition of such security. A person is also deemed to be a beneficial owner of any securities of which that person has a right to acquire beneficial ownership within 60 days of February 15, 2007. Under these rules, more than one person may be deemed to be a beneficial owner of the same securities.

	Shares of Common Stock Beneficially Owned on February 15, 2007	
Name and Address of Beneficial Owner(1)	**Number of Shares**	**Percentage of Class**
Gilder, Gagnon, Howe & Co., LLC(2)	2,443,499	8.3%
William Blair Capital Management, LLC(3)	1,795,569	6.1%
Wellington Management Company, LLP(4)	1,700,555	5.7%
Scott A. Shay(5)(6)	548,034	1.8%
Joseph J. DePaolo(5)(6)	437,935	1.5%
John Tamberlane(5)(6)	229,293	*
Mark T. Sigona(5)(6)	117,929	*
Michael Merlo(5)(6)	95,429	*
Michael Sharkey(5)(6)	45,192	*
Peter S. Quinlan(5)(6)	22,414	*
Alfred B. DelBello(5)(6)	21,668	*
Yacov Levy(5)(6)	14,501	*
Eric R. Howell(5)(6)	13,916	*
Ann Kaplan(5)(6)	11,168	*
Alfonse M. D'Amato(5)(6)	303	*
Jeffrey W. Meshel(5)(6)	288	*
Kathryn A. Byrne(5)(6)	243	*
All current directors and executive officers as a group (14 persons)(5)(6)	1,558,313	5.3%

* Less than 1%.

(1) Unless otherwise noted, the business address is c/o Signature Bank, 565 Fifth Avenue, New York, New York 10017.

(2) Pursuant to a Schedule 13G filed by Gilder, Gagnon, Howe & Co., LLC on February 20, 2007, the shares include 1,929,423 shares held in customer accounts over which partners and/or employees of Gilder, Gagnon, Howe & Co., LLC have discretionary authority to dispose of or direct the disposition of the shares, 495,246 shares held in accounts owned by the partners of Gilder, Gagnon, Howe & Co., LLC and their families and 18,830 shares held in account of the profit-sharing plan of Gilder, Gagnon, Howe & Co., LLC. The business address of Gilder, Gagnon, Howe & Co., LLC is 1775 Broadway, 26th Floor, New York, NY 10019.

(3) Pursuant to a Schedule 13G filed by William Blair Capital Management, LLC on February 22, 2007, William Blair Capital Management, LLC, in its capacity as an investment advisor to mutual funds, institutional accounts

and/or separate accounts managed by William Blair Capital, may be deemed the beneficial owner of these shares. The business address of William Blair Capital Management, LLC is One Financial Center, Boston, MA 02111.

(4) Pursuant to a Schedule 13G filed by Wellington Management Company, LLP on February 20, 2007, Wellington Management Company, LLP, in its capacity as an investment advisor, may be deemed the beneficial owner of these shares which are held of record by clients of Wellington Management Company, LLP. The business address of Wellington Management Company, LLP is 75 State Street, Boston, MA 02109.

(5) Includes, for each of the following persons, the respective number of shares of restricted stock and options exercisable currently or within 60 days of February 15, 2007:

Name	Option Shares	Restricted Stock
Scott A. Shay	347,500	4,100
Joseph J. DePaolo	357,500	5,234
John Tamberlane	171,000	3,000
Mark T. Sigona	79,000	2,000
Michael Merlo	67,500	1,667
Michael Sharkey	43,000	1,167
Peter S. Quinlan	13,000	630
Alfred B. DelBello	667	2,000
Yacov Levy	667	2,000
Eric R. Howell	11,666	1,500
Ann Kaplan	667	2,000
Alfonse M. D'Amato	-	303
Jeffrey W. Meshel	-	288
Kathryn A. Byrne	-	243

(6) None of the named individuals have pledged any shares as security.

Section 16(a) Beneficial Ownership Reporting Compliance

Section 16(a) of the Securities Exchange Act of 1934 requires the Company's executive officers, directors and persons who own more than 10% of Signature Bank's common stock to file reports of ownership and changes in ownership with the SEC. These persons are required to provide Signature Bank with copies of all Section 16(a) forms that they file. Based solely on Signature Bank's review of these forms and other representations from the executive officers and directors, Signature Bank believes that all of the filing requirements were satisfied for 2006 except that Messrs. Sigona and Tamberlane each failed to timely file one report of a purchase of common stock. In each case, a report was filed promptly following discovery of the oversight.

ELECTION OF DIRECTORS

(PROPOSAL NO. 1)

Signature Bank's restated organization certificate divides the Company's Board of Directors into three classes, with three directors per class and with each class being elected to a staggered three-year term. At the 2007 Annual Meeting, three directors are nominated to serve as Class II Directors and the Board of Directors has endorsed such nominations. All of the nominees are currently directors of Signature Bank. The three directors nominated for election as Class II directors at the 2007 Annual Meeting of Shareholders, each to serve a term ending at the 2010 Annual Meeting of Shareholders or until their respective successors have been elected and qualified, are Ann Kaplan, Yacov Levy and John Tamberlane.

Directors not currently standing for re-election include Alfred B. DelBello, Scott A. Shay and Joseph J. DePaolo who are Class III directors serving terms ending at the 2008 Annual Meeting and Kathryn A. Byrne, Alfonse M. D'Amato and Jeffrey W. Meshel who are Class I directors serving terms ending at the 2009 Annual Meeting.

The persons named as proxies intend (unless authority is withheld) to vote for the election of all of the nominees as directors. Information regarding director nominees is set forth below.

If at the time of the 2007 Annual Meeting any of the nominees is unable or unwilling to serve as a director of Signature Bank, the persons named in the proxy intend to vote for such substitutes as may be nominated by our Board of Directors. Our Board of Directors knows of no reason why any nominee for director would be unable to serve as director.

The Board of Directors recommends a vote "FOR" the election of all of the nominees.

DIRECTORS AND NOMINEES

Directors and Nominees

The following table sets forth information regarding our directors and nominees:

Name	Age	Position
Directors Continuing in Office		
Scott A. Shay	49	Chairman of the Board of Directors
Joseph J. DePaolo	47	President and Chief Executive Officer and Director
Kathryn A. Byrne	41	Director
Alfonse M. D'Amato	69	Director
Alfred B. DelBello	72	Director
Jeffrey W. Meshel	49	Director
Nominees for Election		
John Tamberlane	65	Vice-Chairman and Director and Nominee
Ann Kaplan	60	Director and Nominee
Yacov Levy	62	Director and Nominee

Directors Continuing in Office

Scott A. Shay has served as Chairman of the Board of Directors of Signature Bank since its inception. Since 1980 Mr. Shay has been involved in the investment banking and venture capital industries. Mr. Shay has been Managing Director of Ranieri & Co., Inc. and a partner of Hyperion Partners since 1988. Prior to joining Ranieri & Co./Hyperion Partners, he served as a director and a senior member of the mergers and acquisitions department of Salomon Brothers, Inc. Mr. Shay serves on the Board of Directors of Allied Healthcare International Inc., as well as an officer or director of other direct and indirect subsidiaries of Hyperion Partners, L.P. and related entities. From October 1997 until August 2005, Mr. Shay served as a director of Bank Hapoalim BM, our former parent company. From December 1988 until

February 2001, Mr. Shay served as a director of Bank United Corp. and was a member of the audit committee for six years.

Joseph J. DePaolo has been President and Chief Executive Officer and a Director of Signature Bank since its inception. Prior to joining Signature Bank, Mr. DePaolo was a Managing Director and member of the Senior Management Committee of the Consumer Financial Services Division at Republic National Bank, which he joined in 1988. At Republic National Bank, Mr. DePaolo held numerous positions including First Vice President and Deputy Auditor, First Vice President and Senior Vice President of Consumer Banking, Managing Director, Chairman of Republic Financial Services Corporation (Republic National Bank's retail broker-dealer group) and Chairman of Republic Insurance Agency (Republic National Bank's retail insurance agency). Prior to joining Republic National Bank, Mr. DePaolo was a senior audit manager with KPMG Peat Marwick. Mr. DePaolo is a member of the New York State Society of CPAs.

Kathryn A. Byrne, CPA, was elected to the Board of Directors effective December 20, 2005. Currently, she serves as the partner in charge of the international services group at a New York City-based accounting and consulting firm, Weiser LLP. Ms. Byrne has provided accounting, auditing, tax and consulting services to domestic and foreign corporations across various industries for more than 18 years.

Alfonse M. D'Amato was elected to the Board of Directors effective July 20, 2005. Senator D'Amato is the Managing Director of Park Strategies LLC, the Manhattan and Washington, D.C.-based business consulting firm he started in 1999. He also serves on the Board of Directors of CA™ (formerly Computer Associates). Senator D'Amato served as a United States Senator for New York for 18 years, from 1981 to 1999, during which time he served as Chairman of the Senate Committee on Banking, Housing and Urban Affairs and as a member of the Senate Finance Committee.

Alfred B.DelBello has been a Director of Signature Bank since January 2003. Since July 1995, Mr. DelBello has been a partner in the White Plains, New York based law firm of DelBello Donnellan Weingarten Tartaglia Wise & Wiederkehr, LLP. Mr. DelBello served as Lieutenant Governor of the State of New York from 1983 to 1985, as Westchester County Executive from 1974 to 1983 and as Mayor of Yonkers from 1970 to 1974. Mr. DelBello currently serves on the Board of Directors of the Westchester Land Trust and the Westchester County Association.

Jeffrey W. Meshel was elected to the Board of Directors effective September 8, 2005. Mr. Meshel has more than 20 years' experience in lending, managing and acquiring residential and commercial real estate. Since 1989, he has served as co-president and co-founder of New York City-based Mercury Capital Corp., Mercury Properties and Mercury Equity Group. Mercury Capital Corp. serves as a resource for bridge loans and mezzanine debt nationwide while Mercury Properties is a fully integrated real estate holding company that owns, operates and manages its own portfolio, consisting of office, industrial, retail and residential property. Mercury Equity Group is a boutique NASD Broker/Dealer that specializes in private placements; it provides bridge loans and funds private investments in public entities.

Director Nominees

John Tamberlane has been Vice-Chairman and Director of Signature Bank since its inception, as well as a Director of Signature Securities Group since its inception. Prior to joining Signature Bank, Mr. Tamberlane was the President of the Consumer Financial Services Division and a Director of Republic National Bank, which he joined in 1980. As President of the Consumer Financial Services Division, Mr. Tamberlane managed the national mortgage banking division, retail broker-dealer division and retail branch network, which grew to the third largest branch network in the New York metropolitan area prior to its acquisition. In this capacity, he was also President of two independent bank subsidiaries of Republic New York Corporation: Manhattan Savings Bank and Williamsburgh Savings Bank. Mr. Tamberlane was also a member of the Asset/Liability Management Committee of Republic National Bank. Prior to joining Republic National Bank, he was employed with Bankers Trust.

Ann Kaplan has been a Director of Signature Bank since March 2004. Ms. Kaplan is the Chair of Circle Financial Group, a membership organization that provides wealth management services. She is also an Adjunct Professor of Finance at the Columbia University School of Business. Ms. Kaplan is also a director of the Financial Guaranty Insurance Company. Ms. Kaplan was an Advisory Director of Goldman, Sachs & Co., which she joined in 1977, from 2002 until 2003. Ms. Kaplan became a General Partner of Goldman, Sachs & Co. in 1990 and a Managing Director in 1999.

Yacov Levy has been a Director of Signature Bank since September 2003. Mr. Levy is the founder and Managing Partner of KerenTwo LLC, a venture capital firm, and was the founder and managing partner of Levy Trajman Management Investment LLC, which closed in 2006. In this capacity, he was also the Chairman of RealM Technologies Inc. from 1999 to 2001, a director in ClayCare Systems, Inc. from 1999 to 2000 and a director in Enfocus Software NV from 1999 to 2000. From 1993 to 1996, Mr. Levy served as Chief Executive Officer and acting Chief Financial Officer for Lernout & Hauspie Speech Products NV, a developer and licensor of speech technologies.

EXECUTIVE OFFICERS

The following table sets forth information regarding our executive officers:

Name	Age	Position
Scott A. Shay	49	Chairman of the Board of Directors
Joseph J. DePaolo	47	President and Chief Executive Officer, Director
John Tamberlane	65	Vice-Chairman, Director
Mark T. Sigona	45	Executive Vice President and Chief Operating Officer
Michael Merlo	59	Executive Vice President and Chief Credit Officer
Michael Sharkey	49	Senior Vice President and Chief Technology Officer
Eric R. Howell	36	Senior Vice President and Chief Financial Officer
Peter S. Quinlan	40	Senior Vice President and Treasurer

For the background information regarding Scott A. Shay, Joseph J. DePaolo and John Tamberlane, see “Directors and Nominees,” above.

Mark T. Sigona is Executive Vice President and Chief Operating Officer of Signature Bank, a role to which he was appointed in November 2004. Prior to this appointment, he had been serving as Senior Vice President and Chief Financial Officer, a role he held since Signature Bank’s inception. Prior to joining Signature Bank, Mr. Sigona was a Senior Vice President and head of the Accounting Services Division of the Finance Group at Republic National Bank, which he joined in March 1989. At Republic National Bank, Mr. Sigona held numerous positions, including First Vice President of the Finance Division and Internal Audit Manager. Prior to joining Republic National Bank, Mr. Sigona was a supervising senior accountant at KPMG Peat Marwick.

Michael Merlo is Executive Vice President and Chief Credit Officer of Signature Bank, a role to which he was appointed in November 2004. Prior to this appointment, he had been serving as Senior Vice President and Chief Credit Officer, a role he held since Signature Bank’s inception. Prior to joining Signature Bank he was a Senior Vice President with Fleet Bank. He joined Fleet through the acquisition of NatWest Bank by Fleet Bank in 1992 and held various credit positions within both the Large Corporate and the Middle Market Groups. His last position at Fleet was Head of the Middle Market Group in Long Island with a staff of 26 reporting to him. Mr. Merlo serves on the Board of Directors of New York Institute of Technology where he is a member of the Audit, Finance and the Public Affairs committees.

Michael Sharkey was appointed to the role of Senior Vice President and Chief Technology Officer in November 2004. Prior to this appointment, he had been serving as Senior Vice President and Chief Operations Officer, a role he held since Signature Bank’s inception. Before joining Signature Bank, Mr. Sharkey was an Associate Managing Director at Republic National Bank, which he joined in 1998. At Republic National Bank, Mr. Sharkey’s responsibilities included retail banking systems, banking product management, ATM/debit processing cards, pension products, check processing and systems liaison, branch review and control as well as disaster recovery coordination.

Eric R. Howell holds the position of Senior Vice President and Chief Financial Officer, a role to which he was appointed in November 2004. Prior to this appointment, he had been serving as Vice President of Finance and Controller for Signature Bank. He joined Signature Bank in 2000 as Vice President and Controller. Prior to joining Signature Bank, Mr. Howell was Controller at BlueStone Capital Partners, L.P. and its Trade.com division. Mr. Howell also was an Associate Managing Director at Republic National Bank of New York, which he joined in 1992. Mr. Howell also held numerous other positions while at Republic National Bank, including Chief Financial Officer of Republic Financial Services Corporation (Republic National Bank’s retail broker-dealer group) and Republic Insurance Agency (Republic National Bank’s retail insurance agency).

Peter S. Quinlan serves as Treasurer and Senior Vice President of Signature Bank, a role to which he was appointed in November 2006. In this capacity he manages the investment portfolio, interest rate risk and liquidity management functions of the institution. Prior to this appointment, he had been serving as Treasurer of Signature Bank. He also serves as the Chairman of the Company’s Asset Liability Management Committee. Prior to joining Signature Bank, he was a divisional Chief Financial Officer of Bank Hapoalim, which he joined in September 2000. He also previously served as the Treasurer of Clarity Holdings and Clarity Bank as well as the Controller of First Trade Union Bank. Mr. Quinlan began his banking career with the Comptroller of the Currency (OCC) as an Associate National Bank Examiner.

EXECUTIVE COMPENSATION

Compensation Discussion and Analysis

This compensation discussion describes the material elements of compensation awarded to each of our named executive officers during the last completed fiscal year. To the extent that it enhances an understanding of our executive compensation disclosure, we also describe compensation actions taken before or after the last completed fiscal year. The individuals who served as the principal executive officer and principal financial officer during 2006, as well as the other individuals included in the Summary Compensation Table, are referred to as the "named executive officers."

Compensation Program Objectives

Our primary objective with respect to executive compensation is to provide competitive compensation and benefits to attract, retain, motivate and reward the highest quality executive officers. A further objective of our compensation program is to provide variable pay opportunities through cash bonuses and restricted stock awards that reward our officers based on achievement of both individual and Company performance goals. In addition, we aim to establish compensation plans that align the performance of our executive officers with the Company's objectives and the creation of long-term shareholder value, such as the reward of equity compensation which ties a portion of our executive compensation to the performance of our common stock. We believe an appropriate mix of an executive officer's pay should be variable and performance-based in order to focus the executive officer on both our short-term and long-term strategic objectives. Finally, it is a key objective to ensure that compensation provided to executive officers remains competitive relative to the compensation paid to similarly situated executives at peer companies in the banking industry.

What Our Compensation Program is Designed to Reward

Our compensation program is a competitive mix of base salary and incentive compensation designed to reward both the performance of the individual executive and the performance of the division or group he or she supervises and the Company as a whole, to the extent applicable. We aim to reward the achievement of Company and personal performance goals, in addition to other strategic achievements such as the Company's growth, operating performance and development of the corporate culture.

The Process of Setting Executive Compensation

Our Executive Chairman, Scott A. Shay, and our Chief Executive Officer, Joseph J. DePaolo, with the assistance of Ana M. Harris, the director of the Company's Human Resources department, annually review each executive's compensation package in light of the performance of each executive. The conclusions reached and recommendations made based on these reviews, including those with respect to salary adjustments and annual award amounts, are then presented to the Compensation Committee for review and approval. Specifically, the Compensation Committee approves the compensation packages of each of the Executive Chairman and the Chief Executive Officer and approves the recommended compensation packages of each other executive officer. The Executive Chairman and Chief Executive Officer do not play a prominent role in the determination of their own salary levels, although recommendations are still made by each of them to the Committee. The Committee can exercise its full discretion in modifying any recommended adjustments or awards to executives.

The Compensation Committee has engaged Frederic W. Cook & Co. (the "Committee's consultant") to both assist it in carrying out its responsibilities in this respect and to conduct periodic reviews of the total compensation program for executive officers. The Committee's consultant provides the Committee with guidance and relevant market data to consider when making the compensation decisions for the Executive Chairman and Chief Executive Officer and when deciding whether to ratify recommendations made with respect to the other named executive officers. The Committee has the sole authority to retain or terminate consultants to assist it in the evaluation of director, chief executive officer or executive compensation. The Committee has the sole authority to determine the terms of engagement and the extent of funding necessary for payment of compensation to any consultant retained to advise the Committee.

The market data provided by the Committee's consultant enables the Committee to review compensation practices at peer companies in the banking industry and compare our named executive officers' current compensation levels and any changes to the current compensation packages suggested by the Executive Chairman and Chief Executive Officer to competitive market norms. Each named executive officer's position is compared to other executives of a similar skill level in positions of comparable scope and responsibility. This peer group may change from year to year depending on changes in the marketplace. While information regarding pay practices at peer companies is useful to ensure our compensation practices are both reasonable and competitive in the marketplace, we do not believe that it is appropriate to establish compensation levels primarily based on benchmarking, in light of the belief that at this stage in the Company's development, more flexibility, especially with respect to executive compensation, is necessary in order to successfully increase franchise value.

Thus, the Compensation Committee reviews and approves each element of compensation for each named executive officer by taking into consideration the Executive Chairman and Chief Executive Officer recommendations, competitive pay practices at peer companies in the banking industry, the relative compensation levels among the Company's senior executive officers, and historical compensation levels of the individual executive.

The Process of Setting Chief Executive Officer Compensation

The Executive Chairman and the Compensation Committee review and approve on an annual basis corporate goals and objectives relevant to Chief Executive Officer ("CEO") compensation, evaluate the CEO's performance in light of those goals and objectives and, either as a committee or together with the other independent directors, determine and approve the CEO's compensation level based on this evaluation. In determining the long-term incentive component of CEO compensation, the Executive Chairman and the Compensation Committee will also consider, among such other factors, the Company's performance, shareholder returns, the value of similar incentive awards to chief executive officers at comparable banks and the awards given to the CEO in past years. The CEO is not present during voting or deliberations relating to the CEO's compensation.

Elements of Compensation for 2006 and Why We Chose to Pay Each Element

For fiscal year ended December 31, 2006, the principal components of compensation for the named executive officers were:

- base salary;
- annual cash bonus;
- restricted stock awards;
- premiums for life insurance policies; and
- employment agreements for our Executive Chairman and Chief Executive Officer, including any change of control or severance provisions or personal benefits set forth in those agreements.

Based on the objectives detailed above, a significant percentage of total compensation is allocated to incentives in order to motivate executives to achieve the business goals set by the Company and reward the executives for achieving such goals. There is no pre-established policy or target for allocating compensation between long-term and currently paid out compensation, between cash and non-cash compensation, or among different forms of non-cash compensation. Rather, we look at an executive's goals and responsibilities to determine the appropriate level and mix of incentive compensation. Historically, and in 2006, the Compensation Committee granted a significant amount of total compensation to the named executive officers as non-cash incentive compensation in the form of restricted stock awards, believing that such awards align the goals of our executives with those of our shareholders. The Company does not time, or plan to time, its release of material nonpublic information for the purpose of affecting the value of executive compensation.

Base Salary. We provide executive officers with a base salary to compensate them for services rendered during the fiscal year. This also enables us to attract and retain an appropriate caliber of talent for the position, and to provide a base level of monthly income that is not subject to our performance risk. We conduct a review of base salaries annually, and during such a review we generally consider each named executive officer's individual past performance, the scope of the role and responsibilities of the executive officer within our organization, and the performance of the organization as a whole. We also review the executive's compensation relative to that of our other executives and to the market for executives of similar expertise and experience.

During 2006, the Executive Chairman and Chief Executive Officer recommended and the Compensation Committee approved proposed salary increases for certain members of senior management, including the Executive Chairman and the Chief Executive Officer. Such increases were awarded in recognition of the high value of the contributions made by these executives during the past year and the overall performance of the Company during that time. These increases also ensure that the base salaries we provide remain competitive in the market for executives of similar expertise and experience. The Compensation Committee approved increases in the annual base salary of the following executive officers: Eric R. Howell from $150,000 to $185,000; Mark T. Sigona from $187,000 to $205,000; John Tamberlane from $250,000 to $265,000; Joseph J. DePaolo from $325,000 to $375,000; and Scott A. Shay from $300,000 to $345,000.

Annual Cash Bonus. We award annual cash bonuses to reward performance achievements with a time horizon of one year or less. We provide this opportunity to attract and retain an appropriate caliber of talent for the position and to motivate executives to achieve our annual business goals. We review cash incentive awards annually to determine award payments for the last completed fiscal year, as well as to establish award opportunities for the current fiscal year.

The employment agreements of both the Executive Chairman and the Chief Executive Officer provide that each shall receive an annual bonus based on the achievement of certain performance criteria determined by the Board. Pursuant to the terms of his employment agreement, the bonus received by the Executive Chairman is to be 50% of the rate in effect for the Chief Executive Officer, which is also established annually pursuant to the terms of his respective employment agreement. For each of the other named executive officers, there is no threshold or minimum bonus level for 2006. The performance criteria used to determine cash bonuses for 2006 included, but was not limited to, growth in the number of private client groups, deposit growth, asset growth, return on assets, return on equity, earnings per share, and the comparision of actual performance against budget. The Compensation Committee or the Board may exercise discretion and take into account all such individual performance criteria in determining awards.

Restricted Stock Awards. In March 2004, the Board of Directors established and adopted the Signature Bank 2004 Long-Term Incentive Plan. The purpose of our 2004 equity incentive plan is to give us a competitive advantage in attracting, retaining and motivating officers, employees, directors and /or consultants and to provide us and our subsidiaries and affiliates with a stock plan providing incentives directly related to increases in shareholder value. We review long-term equity incentives annually, and for the last completed fiscal year, our long-term equity incentive program consisted of grants of restricted stock, as detailed in the Summary Compensation Table. We use awards of restricted stock as a long-term incentive vehicle because it aligns the interests of executives with those of shareholders, supports a pay-for-performance culture, fosters employee stock ownership, and focuses the management team on increasing value for the shareholders and on the organization's long-term performance. The restricted stock is subject to a three-year pro-rata vesting period which encourages executive retention and preservation of shareholder value. By creating the incentive for executives to stay with us for longer periods of time, this provides us with greater stability during our period of growth.

The Compensation Committee, as well as the Board of Directors, has the authority to determine the terms and conditions of any agreements evidencing any awards granted under our 2004 equity incentive plan, and to adopt, alter and repeal rules, guidelines and practices relating to our 2004 equity incentive plan.

The amounts of restricted stock awards are recommended by the Executive Chairman and Chief Executive Officer to the Compensation Committee. The size of the restricted stock awards an officer is eligible to receive is determined principally by the level of responsibility for the Company's performance held by that officer. The ability of the individual to affect profits and shareholder value, and his or her historic and recent performance are also considered. Any of our employees, directors, officers or consultants who are or will be responsible for or contribute to the management, growth or profitability of the business of the Company or its subsidiaries or affiliates are eligible for awards under our 2004 equity incentive plan.

All awards of restricted stock under the aforementioned program are made at the closing price of our common stock on the Nasdaq National Market on the date of the grant. We generally only grant awards of restricted stock on an annual basis on March 22nd, the anniverary date of our initial public offering. As of December 31, 2006, Mr. Shay held 10,866 shares of restricted stock; Mr. DePaolo held 13,800 shares of restricted stock; Mr. Howell held 4,000 shares of restricted stock; Mr. Tamberlane held 8,000 shares of restricted stock; Mr. Merlo held 4,333 shares of restricted stock; and Mr. Sigona held 5,166 shares of restricted stock.

Unless the Compensation Committee determines otherwise, or specifies otherwise in an award agreement, if the participant terminates employment during the restricted period, then any unvested restricted stock will be forfeited.

Other Executive Benefits and Perquisites. We do not provide any named executive officers with perquisites or other personal benefits. Executives are, however, eligible for participation in the Signature Bank 401(k) plan under which we currently provide a tiered matching feature: 100% of the first 3% contributed and 50% of the next 4% contributed. Taxes are also paid on behalf of executives with respect to benefits under disability and life insurance policies. We provide these as additional incentives for our executives and to remain competitive in the general marketplace for executive talent. Executive officers are additionally eligible for participation in the company-wide employee benefit programs that include medical, dental, vision, prescription drug, life insurance, accidental death and dismemberment, short-term and long-term disability, flexible spending account, and other voluntary benefits.

Summary Compensation Table

The following table sets forth the cash and non-cash compensation paid by or incurred on behalf of Signature Bank during the year ended December 31, 2006 to its named executive officers.

Name and Principal Position	Year	Salary ($)	Bonus ($)	Stock Awards ($)(1)	Option Awards ($)(2)	All Other Compensation ($)(3)	Total($)
Joseph J. DePaolo, President and Chief Executive Officer	2006	363,461	550,000	164,709	—	15,647	1,093,817
Eric R. Howell, Senior Vice President and Chief Financial Officer	2006	176,923	90,000	39,265	—	9,131	315,319
Scott A. Shay, Chairman of the Board of Directors	2006	334,616	275,000	107,315	—	11,450	728,381
John Tamberlane, Vice-Chairman	2006	261,539	125,000	100,722	—	14,988	502,249
Michael Merlo, Executive Vice President and Chief Credit Officer	2006	235,000	100,000	57,483	—	12,381	404,864
Mark T. Sigona, Executive Vice President and Chief Operating Officer	2006	200,846	100,000	68,973	—	10,365	380,184

(1) Represents fiscal year compensation cost recognized for financial statement reporting purposes in accordance with Statement of Financial Accounting Standard No. 123 (FAS 123R) of all outstanding stock awards. Refer to Note 2(n) – Stock-Based Compensation to our consolidated financial statements in our Annual Report on Form 10-K filed with the FDIC for fiscal year ended December 31, 2006 for our accounting policy related to stock-based compensation.

(2) On December 20, 2005, our Compensation Committee of the Board of Directors and the Board of Directors approved the accelerated vesting and exercisability of all outstanding unvested and unexercisable stock options to purchase common shares of the Company held by employee directors, officers, employees and consultants. As a result, no compensation expense was recorded on the Company's books related to unvested stock options and, therefore, no option-related compensation is included for the named executive officers above. In addition, there were no option grants made in 2006.

(3) The following table details the types and amounts of "All Other Compensation" paid to each of our named executive officers.

All Other Compensation Table

Name	Year	Contributions to Defined Benefit Plans ($)(1)	Insurance Premiums ($)(2)	Total ($)
Joseph J. DePaolo	2006	11,000	4,647	15,647
Eric R. Howell	2006	8,846	285	9,131
Scott A. Shay	2006	11,000	450	11,450
John Tamberlane	2006	11,000	3,988	14,988
Michael Merlo	2006	11,000	1,381	12,381
Mark T. Sigona	2006	10,042	323	10,365

(1) Represents Company matching contributions under Company's 401(k) Plan.
(2) Represents payment of taxes on behalf of executive with respect to benefits under disability and life insurance policies.

Grants of Plan-Based Awards

The following table presents information with respect to each award made to our named executive officers under (i) our 2004 equity incentive plan in 2006, and (ii) in accordance with the terms of each of our Chief Executive Officer's and Executive Chairman's employment agreements. The Company has not granted any performance-based equity awards and no stock options were granted during 2006.

Name	Grant Date	Corporate Action Date (1)	All Other Stock Awards: Number of Shares of Stock or Units (#)(2)	Exercise or Base Price of Option Awards ($/Sh) (3)	Closing Price on Grant Date ($/Sh) (4)	Grant Date Fair Value of Stock and Option Awards ($)(5)
Joseph J. DePaolo	3/22/2006	1/23/2006	10,000	33.74	33.91	337,350
Eric R. Howell	3/22/2006	1/23/2006	3,000	33.74	33.91	101,205
Scott A. Shay	3/22/2006	1/23/2006	8,000	33.74	33.91	269,880
John Tamberlane	3/22/2006	1/23/2006	6,000	33.74	33.91	202,410
Michael Merlo	3/22/2006	1/23/2006	3,000	33.74	33.91	101,205
Mark T. Sigona	3/22/2006	1/23/2006	3,500	33.74	33.91	118,073

(1) Represents the approval of grants of equity-based compensation at a meeting of the Compensation Committee held on January 23, 2006.
(2) Restricted shares vest equally over three years on March 22nd of each year, beginning with the first anniversary of the grant date (March 22, 2006).
(3) Exercise or base price is calculated as the average of the high and low price of our common stock on grant date as quoted on the Nasdaq National Market.
(4) As quoted on the Nasdaq National Market.
(5) Calculated as the number of shares or options granted multiplied by the exercise or base price.

Employment Agreements

The only named executive officers who are currently party to an employment agreement are our Executive Chairman and our Chief Executive Officer.

Employment Agreement with Joseph J. DePaolo

In March 2004, we entered into an employment agreement with Joseph J. DePaolo, which provides that Mr. DePaolo is to serve as our President and Chief Executive Officer for a three-year period (with automatic one-year renewals unless either party gives ninety (90) days' prior written notice of its intent to terminate the agreement) or until we terminate his employment or he resigns. The agreement provides Mr. DePaolo with a base salary that may be adjusted annually at the Board of Directors' discretion (such base salary was $363,461 in 2006), an annual bonus subject to meeting certain performance-based criteria to be determined from time-to-time by the Board of Directors, participation in our 2004 equity incentive plan, and eligibility for our employee benefit plans and other benefits provided in the same manner and to the same extent as to our other executive employees. Mr. DePaolo's employment agreement also contains confidentiality provisions and a covenant not to solicit employees or clients during his employment term and for a period of one year thereafter.

The agreement provides that Mr. DePaolo will receive life insurance with a death benefit equal to three times his annual base salary and long-term disability insurance up to the age of 65 in an amount not less than 50% of his annual base salary. In light of our strong financial and operating performance during 2006, including the growth of our business, Mr. DePaolo was considered to have surpassed his performance expectations and was awarded a cash bonus in respect of 2006 of $550,000. In addition, in respect of the Company's performance during 2006, Mr. DePaolo was awarded 11,000 shares of restricted stock under our 2004 equity incentive plan.

Chairman Agreement with Scott A. Shay

In March 2004, we entered into a chairman's employment agreement, which provides that Mr. Shay serve as our Executive Chairman for a three-year period (with automatic one-year renewals unless either party gives ninety (90) days' prior written notice of its intent to terminate the agreement) or until we terminate his service or he resigns. The agreement provides that Mr. Shay will receive a base fee that may be adjusted annually at the Board of Director's discretion (such base fee was $334,616 in 2006), an annual bonus of 50% of the rate in effect for the Chief Executive Officer, subject to meeting certain performance-based criteria to be determined from time-to-time by the Board of Directors, participation in our 2004 equity incentive plan, and eligibility for our employee benefit plans and other benefits provided in the same manner and to the same extent as to our other executive employees. Mr. Shay's chairman agreement also contains confidentiality provisions and a covenant not to solicit employees or clients during the term of his agreement and for a period of one year thereafter.

In light of our strong financial and operating performance during 2006, including the growth of our business, Mr. Shay was considered to have surpassed his performance expectations and was awarded a cash bonus in respect of 2006 of $275,000.

Outstanding Equity Awards At Fiscal Year-End

The following table provides information about each of the outstanding awards of options to purchase our common stock and restricted shares of our common stock held by each named executive officer as of December 31, 2006.

	Option Awards					Stock Awards			
Name	**Number of Securities Underlying Unexercised Options (Exercisable) (#)(5)**	**Number of Securities Underlying Unexercised Options (Unexercisable) (#)(1)**	**Equity Incentive Plan Awards: Number of Securities Underlying Unexercised Unearned Options (#)(2)**	**Option Exercise Price ($)(3)**	**Option Expiration Date**	**Number of Shares or Units of Stock That Have Not Vested(#) (5)**	**Market Value of Shares or Units of Stock That Have Not Vested ($)(4)**	**Equity Incentive Plan Awards: Number of Unearned Shares, Units or Other Rights That Have Not Vested (#)(2)**	**Equity Incentive Plan Awards: Market or Payout Value of Unearned Shares, Units or Other Rights That Have Not Vested ($)(2)**
Joseph J. DePaolo	350,000 27,500	— —	— —	15.50 26.11	3/22/2014 3/22/2015	13,800	427,524	— —	— —
Eric R. Howell	20,000 5,000	— —	— —	15.50 26.11	3/22/2014 3/22/2015	4,000	123,920	— —	— —
Scott A. Shay	325,000 22,500	— —	— —	15.50 26.11	3/22/2014 3/22/2015	10,866	336,629	— —	— —
John Tamber-lane	160,000 11,000	— —	— —	15.50 26.11	3/22/2014 3/22/2015	8,000	247,840	— —	— —
Michael Merlo	60,000 7,500	— —	— —	15.50 26.11	3/22/2014 3/22/2015	4,333	134,236	— —	— —
Mark T. Sigona	70,000 9,000	— —	— —	15.50 26.11	3/22/2014 3/22/2015	5,166	160,043	— —	— —

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(1) On December 20, 2005, our Compensation Committee of the Board of Directors and the Board of Directors approved the accelerated vesting and exercisability of all outstanding unvested and unexercisable stock options to purchase common shares of the Company held by employee directors, officers, employees and consultants.

(2) The Company has not granted any performance-based equity awards.

(3) Stock options granted in connection with our Initial Public Offering were priced at $15.50. Subsequent option exercise prices were calculated as the average of the high and low price of our common stock on grant date as quoted on the Nasdaq National Market.

(4) Market value is based on the $30.98 closing price of our common stock on the Nasdaq National Market at December 29, 2006.

(5) The following table sets forth the December 31, 2006 potential realizable value of all exercisable and unexercised stock options based on the $30.98 closing price of our common stock on the Nasdaq National Market at December 29, 2006. In addition, it also details the vesting period and final vesting date of each nonvested restricted share grant.

	Options			Restricted Shares			
Name	**Grant Date**	**Number of Securities Underlying Unexercised Options (#) Exercisable**	**Potential Future Realizable Value ($)**	**Grant Date**	**Number of Shares or Units of Stock That Have Not Vested (#)**	**Vesting Period**	**Final Vesting Date**
Joseph J. DePaolo	3/22/2004	350,000	5,418,000	3/22/2005	3,800	Equally – 3 Years	3/22/2008
	3/22/2005	27,500	134,063	3/22/2006	10,000	Equally – 3 Years	3/22/2009
Eric R. Howell	3/22/2004	20,000	309,600	3/22/2005	1,000	Equally – 3 Years	3/22/2008
	3/22/2005	5,000	24,375	3/22/2006	3,000	Equally – 3 Years	3/22/2009
Scott A. Shay	3/22/2004	325,000	5,031,000	3/22/2005	2,866	Equally – 3 Years	3/22/2008
	3/22/2005	22,500	109,688	3/22/2006	8,000	Equally – 3 Years	3/22/2009
John Tamberlane	3/22/2004	160,000	2,476,800	3/22/2005	2,000	Equally – 3 Years	3/22/2008
	3/22/2005	11,000	53,625	3/22/2006	6,000	Equally – 3 Years	3/22/2009
Michael Merlo	3/22/2004	60,000	928,800	3/22/2005	1,333	Equally – 3 Years	3/22/2008
	3/22/2005	7,500	36,563	3/22/2006	3,000	Equally – 3 Years	3/22/2009
Mark T. Sigona	3/22/2004	70,000	1,083,600	3/22/2005	1,666	Equally – 3 Years	3/22/2008
	3/22/2005	9,000	43,875	3/22/2006	3,500	Equally – 3 Years	3/22/2009

Option Exercises and Stock Vested

The following table sets forth as to each of the named executive officers information on exercises of options to purchase our common stock and the vesting of restricted shares of our common stock during 2006.

	Option Awards		Stock Awards	
Name	**Number of Shares Acquired on Exercise (#)(1)**	**Value Realized on Exercise ($)(1)**	**Number of Shares Acquired on Vesting (#)(2)**	**Value Realized on Vesting ($)(2)**
Joseph J. DePaolo	30,000	514,450	9,964	336,136
Eric R. Howell	—	—	500	16,868
Scott A. Shay	—	—	1,434	48,376
John Tamberlane	—	—	7,451	251,359
Michael Merlo	—	—	4,699	158,521
Mark T. Sigona	—	—	5,672	191,345

(1) Mr. DePaolo exercised 10,000 options on February 21, 2006 at a fair value of $32.41 and 20,000 options on August 8, 2006 at a fair value of $32.77.

(2) Reflects restricted shares that vested on March 22, 2006 at a fair value of $33.735.

Potential Post-Employment Payments Upon Termination or Change in Control

Termination Payments

Joseph J. DePaolo and Scott A. Shay are each entitled to certain payments upon termination pursuant to their employment agreement and chaiman agreement respectively. There are no contractual provisions in effect which provide for payments upon termination for any of the other named executive officers.

Joseph J. DePaolo

Mr. DePaolo's employment agreement provides that, regardless of the reason for termination of his employment, he will be entitled to any earned but unpaid base salary and vacation time, any outstanding reasonable business expense incurred by him, continued insurance benefits to the extent required by law, and vested benefits as required by the terms of any employee benefit plan or program. If termination occurs due to the death or "disability" (as defined in the agreement) of Mr. DePaolo, he will also be entitled to receive any accrued but unpaid bonuses for completed fiscal years. If we voluntarily terminate his employment for any reason other than "cause" (as defined in the agreement) or if he terminates his employment for "good reason" (as defined in the agreement), Mr. DePaolo will be entitled to both accrued but unpaid bonuses for completed fiscal years and an immediate lump sum severance payment equal to the product of the greater of (x) the amount of base salary that Mr. DePaolo would have received had he remained employed through the scheduled conclusion of the employment period, or (y) two times his annual base salary, plus a pro-rata bonus for the year of termination based on the average of his bonuses for the prior two fiscal years. In such circumstances, Mr. DePaolo will also be entitled to continued medical coverage for 18 months following his termination or until he becomes eligible for comparable coverage under another employer's health plans, if earlier.

Scott A. Shay

Mr. Shay's chairman agreement provides that, regardless of the reason for termination of his service, he will be entitled to any earned but unpaid base fees and vacation time, any outstanding reasonable business expense incurred by him, continued insurance benefits to the extent required by law, and vested benefits as required by the terms of any employee benefit plan or program. If termination occurs due to the death or "disability" (as defined in the agreement) of Mr. Shay, he will also be entitled to receive any accrued but unpaid bonuses for completed fiscal years. If we voluntarily terminate his service for any reason other than "cause" (as defined in the agreement) or if he terminates his service for "good reason" (as defined in the agreement), Mr. Shay will be entitled to both accrued but unpaid bonuses for completed fiscal years and an immediate lump sum severance payment equal to the product of the greater of (x) the amount of base fees that Mr. Shay would have received had he remained Chairman through the scheduled conclusion of his term, or (y) two times his annual base fees, plus a pro-rata bonus for the year of termination based on the average of his bonuses for the prior two fiscal years.

The following table sets forth arrangements that provide for payments to each of Joseph J. DePaolo and Scott A. Shay in connection with termination of his employment by the Company without cause, termination of his employment by him for good reason, termination of his employment upon his death or termination of his employment by reason of his disability, if such termination took place on December 31, 2006 and there was no change of control.

Name	Benefit	Amount Payable for Termination Without Cause or for Good Reason ($)	Amount Payable by Reason of Death or Disability ($)
Joseph J. DePaolo	Cash Severance	1,250,000	500,000
	Insurance Premiums	36,021	0
	LTIP Restricted Stock Unit Acceleration Value	427,524	0

Scott A. Shay	Cash Severance	940,000	250,000
	Insurance Premiums	28,689	0
	LTIP Restricted Stock Unit Acceleration Value	336,629	0

Change of Control Termination

Change of Control Severance Plan

In March 2005, in connection with Bank Hapoalim's sale of its majority stake in us, we amended our Change of Control Severance Plan for Key Corporate Employees. The plan, as amended, provides that covered executives will receive severance if a "change of control" occurs and their employment is terminated by Signature Bank for reasons other than for "cause" (as defined in the plan), disability or death, or if the covered executive terminates his employment with "good reason" either (i) prior to such change of control at the request of a third party who has taken steps to effect a change of control or (ii) after such change of control but prior to the third anniversary thereof. "Good reason" is defined in the plan generally to include termination of employment by the executive following a diminution of duties, a decrease in compensation or benefits or a relocation. For certain participants, "good reason" also includes termination by the executive for any reason during a window period from 90 to 120 days following a change of control. A "change of control" will be deemed to have occurred under the severance plan upon (A) an acquisition by any person of 20% or more of either the outstanding shares or combined voting power of our securities, if Bank Hapoalim and its controlled affiliates do not thereafter own a greater percentage than any other person of our then outstanding voting securities; (B) if Bank Hapoalim and its controlled affiliates do not own at least 50% of the combined voting power of our voting securities and there is a change in the majority of the members of our Board of Directors which is not approved by our pre-change Board of Directors; (C) a reorganization, merger or consolidation or sale or other disposition of all or substantially all of our assets, if upon consummation of such event Bank Hapoalim and its controlled affiliates do not own at least 50% of the combined voting power of the outstanding voting securities of the resulting corporation, unless the beneficial owners of our common stock and voting securities will beneficially own at least 50% of the common stock and voting securities of the resulting corporation, no person will beneficially own more than 20% of the common stock or other voting securities of the resulting corporation and at least a majority of the members of the Board of the resulting corporation were members of our Board prior to the transaction; or (D) our shareholders approve a complete liquidation or dissolution of us.

Upon such termination, an executive will receive a lump sum cash payment equal to (i) the executive's accrued but unpaid base salary through the date of termination; (ii) a pro rata bonus for the year in which the termination occurs based on the greater of the executive's highest bonus earned in the last three full fiscal years and the executive's annual bonus for the most recently completed fiscal year less any previously paid bonus for such fiscal year plus any accrued vacation pay; (iii) an amount equal to one-half, one, one and one-half or two times (depending on the executive, and as determined by the Compensation Committee at the time it selects executives to participate in the severance plan) the executive's base salary and highest annual bonus in the last three years; and (iv) continued welfare and fringe benefits for one-half, one, one and one-half or two years following termination of employment (or until the executive becomes eligible for comparable coverage under another employer's health plans, if earlier).

If amounts payable under our severance plan would subject a participant to an excise tax on account of Sections 280G and 4999 of the Internal Revenue Code, the participant will be entitled to an additional payment from us to make him or her whole, on an after-tax basis in respect of his or her severance payment.

Our Change of Control Severance Plan for Key Corporate Employees may at any time be terminated or amended by our Board, provided that the plan may not be terminated or amended in any manner which would impair the rights of any executive if such termination or amendment occurs in connection with, or in anticipation of, or following a change of control. The plan is binding on any successor to us, our assets or our businesses.

The following table sets forth arrangements following a change of control of the Company that provide for payments to the named executive officers in connection with the termination of his employment by the Company without cause, or termination of his employment by him for good reason, if such termination took place on December 31, 2006.

Name	**Benefit**	**Amount Payable for Termination Without Cause or for Good Reason ($)**
Joseph J. DePaolo	Cash Severance	2,250,000
	Insurance Premiums	50,683
	LTIP Restricted Stock Unit Acceleration Value	427,524
Eric R. Howell	Cash Severance	465,000
	Insurance Premiums	27,247
	LTIP Restricted Stock Unit Acceleration Value	123,920
Scott A. Shay	Cash Severance	1,440,000
	Insurance Premiums	38,251
	LTIP Restricted Stock Unit Acceleration Value	336,629
	Excise Tax Gross Up	824,502
John Tamberlane	Cash Severance	980,000
	Insurance Premiums	25,261
	LTIP Restricted Stock Unit Acceleration Value	247,840
Michael Merlo	Cash Severance	740,000
	Insurance Premiums	6,252
	LTIP Restricted Stock Unit Acceleration Value	134,236
Mark T. Sigona	Cash Severance	680,000
	Insurance Premiums	11,555
	LTIP Restricted Stock Unit Acceleration Value	160,043

COMPENSATION OF DIRECTORS

The following table sets forth information with respect to the compensation of non-employee directors of the Company in respect of fiscal year 2006.

Director Compensation Table

Name	Fees Earned or Paid in Cash ($)	Stock Awards ($) (1) (2) (5)(6)	Option Awards ($)(3) (4) (5) (6)	Total ($)
Kathryn A. Byrne	43,900	6,355	—	50,255
Alfonse M. D'Amato	40,300	7,946	—	48,246
Alfred B. DelBello	42,250	34,551	3,697	80,498
Ann Kaplan	50,150	34,551	3,697	88,398
Yacov Levy	57,400	34,551	3,697	95,648
Jeffrey W. Meshel	39,950	7,553	—	47,503

(1) Represents fiscal year compensation cost recognized for financial statement reporting purposes in accordance with Statement of Financial Accounting Standard No. 123 (FAS 123R). On March 22, 2006, Ms. Byrne was granted 727 restricted shares with a fair value of $24,525; Mr. D'Amato was granted 909 restricted shares with a fair value of $30,665; Mr. DelBello, Ms. Kaplan and Mr. Levy were each granted 500 restricted shares with a fair value of $16,868; and Mr. Meshel was granted 864 restricted shares with a fair value of $29,147. All grants vest equally over three years beginning on the first anniversary of the date of grant (March 22, 2006).

(2) On March 22, 2006, Mr. DelBello, Ms. Kaplan and Mr. Levy each recognized compensation in the amount of $61,870 from the vesting of 1,834 restricted shares at a fair value of $33.735.

(3) On December 20, 2005, the Compensation Committee and the Board of Directors approved the accelerated vesting and exercisability of all outstanding unvested and unexercisable stock options to purchase common shares of the Company held by employee directors, officers, employees and consultants. The grants of 1,000 options made to each of our independent directors (Mr. DelBello, Ms. Kaplan and Mr. Levy) on March 22, 2005 will vest in accordance with their original terms (equally over 3 years ending on March 22, 2008).

(4) There were no option grants made in 2006.

(5) At December 31, 2006, each Director had the following aggregate number of outstanding nonvested restricted shares and unexercised stock options with potential realizable values based on the $30.98 closing price of our common stock on the Nasdaq National Market at December 29, 2006: Ms. Byrne - 727 restricted shares, potential realizable value - $22,522; Mr. D'Amato - 909 restricted shares, potential realizable value - $28,161; Mr. DelBello, Ms. Kaplan and Mr. Levy - 2,499 restricted shares and 1,000 stock options each, potential realizable values - $77,419 and $4,875 respectively; and Mr. Meshel - 864 restricted shares, potential realizable value - $26,767.

(6) Represents fiscal year compensation cost recognized for financial statement reporting purposes in accordance with Statement of Financial Accounting Standard No. 123 (FAS 123R). Refer to Note 2(n) – Stock-Based Compensation to our consolidated financial statements in our Annual Report on Form 10-K filed with the FDIC for fiscal year ended December 31, 2006 for our accounting policy related to stock-based compensation and for the assumptions used in determining option fair value.

In 2006, independent directors received an annual fee of $26,000, payable $6,500 per quarter, and an additional fee of $1,250 for each Board of Directors meeting they attended ($500 if they attend telephonically). In addition, they received $900 for each committee meeting they attended and the Chairman of the Examining Committee received an annual fee of $9,000. An annual fee of $5,000 was also paid to the Chairman of the Compensation Committee. In 2007, directors will continue to receive an annual fee of $26,000, payable $6,500 per quarter. The additional fee received for each Board of Directors meeting they attend will be raised to $1,500 ($500 if they attend telephonically), and they will receive $1,000 for each committee meeting they attend. The Chairman of the Examining Committee will receive an annual fee of $12,500, and an annual fee of $7,500 will be paid to the Chairman of the Compensation Committee. Directors are reimbursed for out-of-pocket expenses incurred in connection with attending meetings of the Board of Directors and its committees. In addition, each independent director received, on March 22, 2006, 500 restricted shares of common stock for services as a director in 2006-2007, and the same number will be awarded on March 22, 2007 for services as a director in 2007-2008. These shares of common stock will vest over three years.

COMPENSATION COMMITTEE INTERLOCKS AND INSIDER PARTICIPATION

None of our executive officers serves as a member of the Board of Directors or compensation committee of any entity that has one or more executive officers who also serve on our Board of Directors or compensation committee. No member of the compensation committee during 2006 was an officer or employee of us or any of our subsidiaries.

REPORT OF THE COMPENSATION COMMITTEE ON EXECUTIVE COMPENSATION

The following is the report of the Compensation Committee for the Company's fiscal year ended December 31, 2006. The 2006 members of the Compensation Committee are three non-executive members of our Board of Directors: Alfred B. DelBello, Ann Kaplan, and Alfonse M. D'Amato. The Compensation Committee has reviewed and discussed the Compensation Discussion and Analysis portion of this proxy statement with management, and recommends to the Board of Directors that it be included in the Company's annual report on Form 10-K and the Company's Proxy Statement.

COMPENSATION COMMITTEE

Ann Kaplan (Chairwoman)
Alfred B. DelBello
Alfonse M. D'Amato

The report of the Compensation Committee does not constitute soliciting material and should not be deemed filed or incorporated by reference into any other Signature Bank filing under the Securities Act of 1933 or the Securities Exchange Act of 1934, except to the extent we specifically incorporate this item therein by reference.

REPORT OF THE EXAMINING COMMITTEE

The charter of the Examining Committee of the Board of Directors specifies that the purpose of the Examining Committee is to assist the Board of Directors in its oversight of:

- the integrity of the Company's financial statements and other financial information provided to the Company's shareholders, the public, and any stock exchange;

- the Company's risk management processes and internal control;

- the Company's ethics monitor and compliance with legal and regulatory requirements;

- the qualifications and independence of the Company's internal auditors to provide assurance about the overall system of internal control; and

- the performance of the Company's external independent registered public accounting firm.

The full text of the Examining Committee's charter is available on the Company's website (www.signatureny.com) under *"Investor Relations."* In carrying out its responsibilities, the Examining Committee, among other things:

- monitors preparation of quarterly and annual financial reports by the Company's management;

- supervises the relationship between the Company and its external independent registered public accounting firm, to ensure the independence and objectivity of the external audit process, including: having direct responsibility for their appointment, compensation, retention and oversight; reviewing the scope of their audit services; approving significant non-audit services; and confirming the independence of the independent internal auditors; and

- oversees management's implementation and maintenance of effective systems of internal and disclosure controls, including review of the Company's policies relating to legal and regulatory compliance, ethics and conflicts of interests, review of the Company's internal auditing program, and provide whistleblower and complaint hotline to allow employees to report concerns anonymously.

The Examining Committee met 13 times during 2006. The Examining Committee's meetings include, whenever appropriate, executive sessions with the Company's independent registered public accounting firm and with the Company's internal auditors, in each case without the presence of the Company's management. During 2006, the Board of Directors elected to impose a term limit of five years on the chairman of the Examining Committee.

As part of its oversight of the Company's financial statements, the Examining Committee reviews and discusses with both management and the Company's external independent registered public accounting firm all annual and quarterly financial statements prior to their issuance. During 2006, management advised the Examining Committee that each set of financial statements reviewed had been prepared in accordance with generally accepted accounting principles, and reviewed significant accounting and disclosure issues with the Examining Committee. These reviews included discussion with the external independent registered public accounting firm of matters required to be discussed pursuant to *Statement on Auditing Standards No. 61 (Communication with Audit Committees)*, including the quality of the Company's accounting principles, the reasonableness of significant judgments and the clarity of disclosures in the financial statements. The Examining Committee also discussed with KPMG LLP matters relating to its independence, including a review of audit and non-audit fees and the written disclosures and letter from KPMG LLP to the Examining Committee pursuant to *Independence Standards Board Standard No. 1 (Independence Discussions with Audit Committees).*

Taking all of these reviews and discussions into account, the undersigned Examining Committee members recommended to the Board of Directors that the Board of Directors approve the inclusion of the Company's audited financial statements in the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2006, for filing with the FDIC.

Yacov Levy, the Examining Committee Chairman, and Kathryn A. Byrne each qualifies as an audit committee financial expert under the SEC rules implementing Section 407 of the Sarbanes-Oxley Act of 2002.

EXAMINING COMMITTEE

Yacov Levy (Chairman)
Kathryn A. Byrne
Ann Kaplan

The report of the Examining Committee does not constitute soliciting material and should not be deemed filed or incorporated by reference into any other Signature Bank filing under the Securities Act of 1933 or the Securities Exchange Act of 1934, except to the extent we specifically incorporate this item therein by reference.

CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

We review all relationships and transactions in which the company and our directors and executive officers or their immediate family members are participants to determine whether such persons have a direct or indirect material interest. As required under SEC rules, transactions that are determined to be directly or indirectly material to the Company or a related person are disclosed in the Company's proxy statement. Our Examining Committee is charged with reviewing and approving any related person transaction that is required to be disclosed.

Outsourcing Agreement

On May 1, 2001, we entered into an outsourcing agreement, which was subsequently amended and restated on January 1, 2004, with Bank Hapoalim under which Bank Hapoalim provided to us various back office support services, such as information technology, accounts payable processing, money transfer services, office services, loan processing services, letter of credit facility services, legal services, correspondent banking services, internal auditing, human resources services and credit review services. We reimbursed Bank Hapoalim for the cost of services provided to us on terms negotiated on an arm's-length basis. The term of the agreement is for one year subject to automatic renewals unless either party gives notice of non-renewal to the other. Bank Hapoalim was our parent company from our inception through March 28, 2005 and continued to hold approximately 5% of our common stock through February 15, 2006. We incurred expenses of $1.8 million in the year ended December 31, 2006 under this agreement. This agreement was terminated in 2006.

Loans to Directors and Executive Officers

We have made loans or otherwise extended credit to Messrs. DePaolo, Merlo, Meshel, Sharkey and Howell, of which only the loans to Messrs. DePaolo and Howell are outstanding as of December 31, 2006, in aggregate principal amounts of $100,000 and $5,275, respectively. In each case, the loans or other extensions of credit were made in the ordinary course of business, on substantially the same terms, including interest rates and collateral, as those prevailing at the time for comparable transactions with other persons, and did not involve more than the normal risk of collectibility or present other unfavorable features.

Signature Securities – Bank Hapoalim Client Agreement

On April 25, 2003, Signature Securities and Bank Hapoalim entered into a client agreement under which Signature Securities was appointed to act as agent for Bank Hapoalim in connection with the purchase and sale of certain equity securities and to open and close brokerage accounts with National Financial Services and place or withdraw orders and provide information to National Financial Services. Bank Hapoalim pays Signature Securities the fees and charges incurred in the account pursuant to an agreed-upon fee schedule. Signature Securities is responsible for paying National Financial Services for its services. Signature Securities agreed to indemnify Bank Hapoalim under this agreement under certain circumstances. Either party may terminate the agreement in its sole discretion at any time. We received revenues of approximately $134,000 in the year ended December 31, 2006 under this agreement. This agreement was terminated in 2006.

Lease Transactions

On April 4, 2001, Bank Hapoalim, our former parent company, and Signature Bank entered into a sublease under which Bank Hapoalim subleases to Signature Bank a portion of the premises that Bank Hapoalim leases at 1177 Avenue of the Americas in New York City. The initial fixed rent for the sublease is $81,315 per year with increases not to exceed Signature Bank's proportionate share of the rent payable by Bank Hapoalim to the lessor. The term of the sublease expires on August 30, 2009.

On April 5, 2002, Signature Bank entered into an approximately 15-year lease with Franklin Avenue Plaza LLC for the premises located at 1225 Franklin Avenue, Garden City, NY. Under this lease, Signature Bank pays Franklin Avenue Plaza an annual base rent which increases every year up to a maximum amount of $365,000 for the final year of the lease and also agrees to pay certain taxes and other charges related to the leased property. The payment by Signature Bank of all amounts payable to Franklin Avenue Plaza under this lease is guaranteed by Bank Hapoalim in an amount not to exceed $5 million pursuant to a Limited Guaranty issued on May 29, 2002 by Bank Hapoalim. Signature Bank pays

Bank Hapoalim an annual fee under this Limited Guaranty payable at the beginning of each year in an amount equal to 0.25% of the gross remaining amount of all cumulative rent payments for the remainder of the term of the lease. Signature Bank incurred expenses of approximately $9,560 under this Limited Guaranty for the year ended December 31, 2006.

CORPORATE GOVERNANCE PRINCIPLES AND BOARD OF DIRECTORS' MATTERS

Signature Bank is committed to having sound corporate governance principles. Having such principles is essential to running Signature Bank's business efficiently and to maintaining Signature Bank's integrity in the marketplace.

Voting for Directors

In January 2006, our Board of Directors adopted a new corporate governance policy that requires a nominee for director in an uncontested election who receives more "WITHHELD" than "FOR" votes to promptly tender his or her resignation to the Chairman of the Board. Under this policy, if a nominee were to receive a greater number of "WITHHELD" than "FOR" votes, the independent directors who did not receive a majority of withheld votes would appoint a committee of the Board of Directors amongst themselves for the purpose of considering the tendered resignations and would recommend to the Board of Directors whether to accept or reject them. Following the Board of Directors' decision on the committee's recommendation, the decision and decision-making process will be promptly publicly disclosed in a periodic or current report filed with the Federal Deposit Insurance Corporation. We believe that this policy represents a standard of good corporate governance and is in the best interest of the Company.

Director Independence

The Board of Directors has evaluated all relationships between each director and the Company and has determined that Kathryn A. Byrne, Alfonse M. D'Amato, Alfred B. DelBello, Yacov Levy, Ann Kaplan and Jeffrey W. Meshel are "independent directors" as defined in the Nasdaq Marketplace Rules.

Board of Directors' Structure and Committee Composition

During 2006, our Board of Directors had nine directors and three Board of Directors committees: the Examining Committee, the Compensation Committee and the Nominating Committee. The membership during the last fiscal year and the function of each of the committees are described below. Each of the committees operates under a written charter adopted by the Board of Directors. The committee charters are available on the Company's website (www.signatureny.com) under *"Investor Relations."* During 2006, the Board of Directors held 10 meetings. During this period, all of the directors attended or participated in more than 75% of the aggregate of the total meetings held of the Board of Directors and the total number of meetings held by all committees of the Board of Directors. Directors are encouraged to attend annual meetings of Signature Bank shareholders. Each member of our Board of Directors was present at the 2006 Annual Meeting.

Examining Committee

The Examining Committee's duties and responsibilities are set forth in the charter of the Examining Committee and include the general oversight of the integrity of Signature Bank's financial statements, Signature Bank's compliance with legal and regulatory requirements, the independent registered public accounting firms' qualifications and independence, the performance of Signature Bank's internal audit function and registered public accounting firms, and risk assessment and risk management. Among other responsibilities, the Examining Committee prepares the Examining Committee report for inclusion in the annual proxy statement; annually reviews the Examining Committee charter and the committee's performance; appoints, evaluates and determines the compensation of Signature Bank's registered public accounting firm; reviews and approves the scope of the annual audit, the audit fee and the financial statements; reviews Signature Bank's disclosure controls and procedures, internal controls, information security policies, internal audit function, and corporate policies with respect to financial information and earnings guidance; oversees investigations into complaints concerning financial matters; and reviews other risks that may have a significant impact on Signature Bank's financial statements. The Examining Committee works closely with management as well as Signature Bank's registered public accounting firm. The Examining Committee has the authority to obtain advice and assistance from, and receive appropriate funding from Signature Bank for, outside legal, accounting or other advisors as the Examining Committee deems necessary to carry out its duties. The functions of the Examining Committee are further described in this proxy statement under "Report of Examining Committee." During 2006, the members of the Examining Committee were Yacov Levy, Kathryn A. Byrne and Ann Kaplan and the Examining Committee held 13 meetings. The Board of Directors has determined that Yacov Levy and Kathryn A. Byrne, each of whom is independent as such term is defined by the Nasdaq Marketplace Rules, are "financial experts" under the SEC rules. During 2006, the Board of Directors elected to impose a term limit of five years on the chairman of the Examining Committee. The charter of the Examining Committee is available on the Company's website (www.signatureny.com) under *"Investor Relations."*

Compensation Committee

The Compensation Committee's duties and responsibilities are set forth in the charter of the Compensation Committee. The charter of the Compensation Committee is available on the Company's website (www.signatureny.com) under *"Investor Relations."* The Committee consists of at least three of the Company's non-employee directors, any of whom may be removed at any time by action of the Board. The chairperson is designated by the Board and the committee must have at least two meetings per year. In 2006, the Board of Directors elected to impose a five-year term limit on the chairperson. During 2006, the members of the Compensation Committee were Ann Kaplan, who also acted as the Chair, Alfred B. DelBello and Alfonse M. D'Amato and the Compensation Committee met 4 times.

The scope of authority of the Compensation Committee includes the power to:

- review and determine compensation of Signature Bank's CEO and other executive officers on an annual basis;
- review and make recommendations to management and the Board with respect to policies relating to compensation, the Company's equity compensation plan and the adoption of new incentive compensation and equity-based plans;
- administer the 2004 Long-Term Incentive Plan and the Change of Control Severance Plan;
- approve the terms of the grant agreements for all equity awards and make such grants of equity awards;
- review and approve all compensation awards, employment agreements, and severance plans and agreements for executive officers and key employees;
- review its own performance and the adequacy of the Compensation Committee Charter annually and report regularly to the Board, recommending any changes it deems appropriate.

The Executive Chairman and Chief Executive Officer are the only executive officers to have a role in determining or recommending the amount or form of executive and director compensation. Together they annually review the performance of each executive. The conclusions reached and recommendations made based on these reviews, including those with respect to salary adjustments and annual award amounts, are then presented to the Committee for review and approval and/or ratification. The Executive Chairman and Chief Executive Officer do not play a prominent role in the determination of their own salary levels, although recommendations are still made by each of them to the Committee. The Committee can exercise its full discretion in modifying any recommended adjustments or awards to executives.

The Committee has engaged a compensation consultant, Frederic W. Cook & Co., to both assist it in carrying out its responsibilities and to conduct periodic reviews of the total compensation program for executive officers. The Committee's consultant aids in the determination of the amount and form of executive and director compensation by providing the Committee with guidance and relevant market data to consider. Such information enables the Committee to review compensation practices at peer companies in the banking industry and compare our named executive officers' current compensation levels to competitive market norms. The Committee's consultant is engaged directly by the Committee, which has the sole authority to retain or terminate consultants to assist it in the evaluation of director, chief executive officer or executive compensation. The Committee has the sole authority to determine the terms of engagement and the extent of funding necessary for payment of compensation to any consultant retained to advise the Committee.

Nominating Committee

In January 2006, the Board of Directors of the Company formed a Nominating Committee. The Nominating Committee's duties and responsibilities are set forth in the charter of the Nominating Committee and include identifying individuals qualified to become members of the Board of Directors, consistent with the criteria set forth below under "Consideration of Director Nominees - *Identifying and Evaluating Nominees for Directors" and* "Consideration of Director Nominees - *Director Qualifications*;" and overseeing the organization of the Board of Directors to discharge the Board of Directors' duties and responsibilities properly and efficiently. Other specific duties and responsibilities of the Nominating Committee include annually assessing the size and composition of the Board of Directors; developing membership qualifications for Board of Directors' committees; defining specific criteria for director independence; annually reviewing and recommending directors for continued service; coordinating and assisting management and the Board of Directors in recruiting new members and conducting periodic reviews of the independence of the members of the Board of Directors and its committees and the financial literacy and expertise of Audit Committee members. During 2006, the members of the Nominating Committee were Alfred B. DelBello and Alfonse M. D'Amato and the Nominating Committee held no meetings. During early 2007 one meeting was held. The charter of the Nominating Committee is available on the Company's website (www.signatureny.com) under *"Investors Relations."*

Consideration of Director Nominees

Shareholder Nominees

The policy of the Nominating Committee relating to shareholder nominations of candidates for membership to the Board of Directors is to consider properly and timely submitted nominations as described below under "Identifying and Evaluating Nominees for Directors." In evaluating such nominations, the Nominating Committee seeks to achieve a balance of knowledge, experience and capability on the Board of Directors and to address the membership criteria set forth under "Director Qualifications" below. Any shareholder nominations proposed for consideration by the Nominating Committee should include the nominee's name and qualifications for Board of Directors membership and should be addressed to:

Corporate Secretary
Signature Bank
565 Fifth Avenue
New York, NY 10017

In addition, the By-laws of Signature Bank permit shareholders to nominate directors for consideration at an annual shareholder meeting. For a description of the process for nominating directors or other shareholder proposals in accordance with Signature Bank's By-laws, see "Shareholder Proposals" in this proxy statement.

Identifying and Evaluating Nominees for Directors

The Nominating Committee utilizes a variety of methods for identifying and evaluating nominees for director. The Nominating Committee from time to time assesses the appropriate size of the Board of Directors, and whether any vacancies on the Board of Directors are expected due to retirement or otherwise. In the event that vacancies are anticipated, or otherwise arise, the Nominating Committee considers various potential candidates for director. Candidates may come to the attention of the Nominating Committee through current Board of Directors' members, professional search firms, shareholders or other persons. These candidates are evaluated at meetings of the Board of Directors and may be considered at any point during the year. As described above, the Nominating Committee considers properly submitted shareholder nominations as candidates for the Board of Directors. Following verification of the shareholder status of persons proposing candidates, properly submitted recommendations will be aggregated and considered by the Nominating Committee at a meeting prior to the issuance of the proxy statement for Signature Bank's annual meeting. If any materials are provided by a shareholder in connection with the nomination of a director candidate, such materials will be forwarded to the Nominating Committee. The Nominating Committee also reviews materials provided by professional search firms or others in connection with a nominee who is not proposed by a shareholder. In evaluating such nominations, the Nominating Committee seeks to achieve a balance of knowledge, experience and capability on the Board of Directors.

Director Qualifications

The Nominating Committee uses a number of criteria to determine the qualification of a director nominee for the Board of Directors. The minimum criteria used by the Nominating Committee consists of the following:

- Directors should be of the highest ethical character and share the mission, vision and values of Signature Bank;
- Directors should have reputations, both personal and professional, consistent with the image and reputation of Signature Bank;
- Directors should be highly accomplished in their respective fields, with superior credentials and recognition;
- Each director should have relevant expertise and experience, and be able to offer advice and guidance to the chairman and the chief executive officer based on that expertise and experience; and
- Each director should have the ability to exercise sound business judgment.

The Nominating Committee also considers such other relevant factors as it deems appropriate, including the current composition of the Board of Directors, the balance of management and independent directors, the need for Examining Committee and industry expertise and the evaluations of other prospective nominees. After completing the interview and evaluation process that the Nominating Committee deems appropriate, it makes a recommendation to the full Board of Directors as to the persons who should be nominated by the Board of Directors, and the Board of Directors determines the nominees after considering the recommendation and the report of the Nominating Committee.

New Directors

No new members were elected to the Board of Directors during 2006.

Executive Sessions

As required by the Nasdaq Marketplace Rules, our independent directors hold meetings in executive session at which only independent directors are present. Such meetings are held periodically, and other meetings may be called at the request of the independent members of the Board of Directors. During 2006, the independent directors held one meeting in executive session.

Advisory Board

We have established an advisory board whose function is to provide senior management with advice on strategic direction and business development initiatives. Our advisory board is currently composed of the following individuals:

Stanley Kreitman	Chairman of the Board of Directors of PMCC Financial Corp. and Vice-Chairman of Manhattan Associates, a merchant banking firm.
Lewis S. Ranieri	Chairman, CA, Inc.; Chairman, Franklin Bank Corp.; Chairman, American Financial Realty Trust; Founder and Managing Partner, Hyperion Partners
Michael Steinhardt	Retired hedge fund manager. Philanthropist. Founder of Steinhardt Partners and the Jewish Life

	Network.
John Sullivan	Former President, Chief Executive Officer and Director of Hamilton Bancorp; former President, Chief Operating Officer and Director of River Bank America; former President, Chief Executive Officer and Director of Continental Bank; former Chairman of the Board of Directors of Olympian Bank; currently, an independent consultant to the financial services industry.

Communications with the Board of Directors

Signature Bank's Board of Directors has adopted a policy regarding shareholder access to the Board of Directors to ensure that shareholders may communicate directly with the Board of Directors. All written communications should be directed to the Company's Secretary at: Corporate Secretary, Signature Bank, 565 Fifth Avenue, New York, NY 10017 and should prominently indicate on the outside of the envelope that it is intended for one of the following: the Board of Directors, the Examining Committee, the Compensation Committee or the Nominating Committee. Each written communication intended for the Board of Directors or one of the committees and received by the Secretary will be forwarded to the specified party following its clearance through normal security procedures. The written communication will not be opened, but rather will be forwarded unopened to the intended recipients.

Codes of Ethics

We believe that each of our employees and directors should maintain high ethical standards. We have adopted our Code of Business Conduct and Ethics applicable to our employees and directors and our Code of Ethics for the Principal Executive Officer and Senior Financial Officers. The Company's Code of Business Conduct and Ethics was amended in January 2006 to include the engagement of a third-party, Global Compliance Services, to provide employees an independent mechanism for the confidential, anonymous submission of concerns regarding questionable accounting, operational or auditing matters or any other questionable activity or matter. The Whistleblower program is a 24-hour manned toll-free hotline.

These codes are available on our website (www.signatureny.com) under *"Investor Relations,"* and in print upon any written request by a shareholder. The Company intends to post at this location on its website any amendments to or material waivers from the provisions of these codes.

RATIFICATION OF INDEPENDENT AUDITORS

(PROPOSAL NO. 2)

The Examining Committee has selected the firm of KPMG LLP, an independent registered public accounting firm, as our independent auditors for the year ending December 31, 2007. KPMG LLP has audited our financial statements since our inception, and is in compliance with the requirements of the Sarbanes-Oxley Act of 2002 and applicable rules adopted by the SEC regarding mandatory audit partner rotation.

A representative of KPMG LLP will be present at the 2007 Annual Meeting, will be offered the opportunity to make a statement if he or she desires to do so and will be available to respond to appropriate questions. In the event the appointment is not ratified, the Examining Committee will consider the appointment of other independent auditors.

The Board of Directors recommends a vote "FOR" this proposal.

PRINCIPAL AUDITOR FEES AND SERVICES

The Examining Committee, Signature Bank's audit committee, has appointed KPMG LLP as Signature Bank's independent auditors for fiscal year ending December 31, 2007.

Fees Incurred by Signature Bank for KPMG LLP

The following table shows the fees billed to Signature Bank for the audit and other services provided by KPMG LLP for fiscal 2006 and 2005:

	2006	2005
Audit Fees(1)	$ 397,000	$ 374,500
Audit-Related Fees(2)	279,000	228,000
Tax Fees	—	—
All Other Fees	—	—
Total	$ 676,000	$ 602,500

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(1) Audit fees represent fees for professional services provided in connection with the audit of our financial statements and review of our quarterly financial statements and audit services provided in connection with other statutory or regulatory filings.

(2) Audit-related fees consisted primarily of accounting consultations concerning financial accounting and reporting standards, internal control reviews and other related services.

The Examining Committee approves all audit-related and non-audit services not prohibited by law to be performed by Signature Bank's independent auditors. The Examining Committee determined that the provision of such services by KPMG LLP was compatible with the maintenance of such firm's independence in the conduct of its audit functions.

OTHER MATTERS

Other Matters

Management does not know of any other matters to be considered at the 2007 Annual Meeting. If any other matters do properly come before the meeting, persons named in the accompanying form of proxy intend to vote on those matters as recommended by the Board of Directors or, if no recommendation is given, in their own discretion.

Annual Report on Form 10-K

Signature Bank will provide upon request and without charge to each shareholder receiving this Proxy Statement a copy of Signature Bank's Annual Report on Form 10-K for fiscal year ended December 31, 2006, including the financial statements included therein, as filed with the FDIC on or about the date of this Proxy Statement.

Available Information

The Company's internet address is www.signatureny.com. We make available on our website under *"Investor Relations"* our annual report on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K, reports made pursuant to section 16 of the Securities Exchange Act and amendments to those reports as soon as reasonably practicable after we file such material with, or furnish it to, the FDIC. Our Code of Business Conduct and Ethics for our employees and Board of Directors, and our Code of Ethics for the Principal Executive Officer and Senior Financial Officers are also available on our website under *"Investor Relations"* and in print upon any request by a shareholder. The charters of our Compensation, Nominating and Examining committees are also available on our website under *"Investor Relations."* In addition, Signature Bank will furnish copies of its annual report on Form 10-K and any exhibits thereto upon written request to Investor Relations, Signature Bank, 565 Fifth Avenue, New York, NY 10017.

Shareholder Proposals

We anticipate that the 2008 Annual Meeting of Shareholders will be held in the first four months of 2008. Any shareholders who intend to present proposals at the 2008 Annual Meeting, and who wish to have such proposal included in Signature Bank's Proxy Statement for the 2008 Annual Meeting, must follow the procedures prescribed in Rule 14a-8 of the Securities Exchange Act of 1934, as well as the provisions of our By-laws. To be considered timely, a proposal for inclusion in our proxy statement and form of proxy submitted pursuant to Rule 14a-8 for our 2008 Annual Meeting must be received by November 20, 2007. Under our By-laws, shareholder nominees or other proper business proposals must be made by timely written notice given by or on behalf of a shareholder of record of the Company to the Secretary of the Company. In the case of nomination of a person for election to the Board of Directors or other business to be conducted at the annual meeting of shareholders, notice shall be considered timely if it is received not less than 90 nor more than 120 days prior to the first anniversary of the date on which the Company first mailed its proxy materials for the prior year's annual meeting of shareholders, except in the case where the Company did not mail proxy materials in connection with the prior year's annual meeting. The notice is required to comply with each of the procedural and informational requirements set forth in our By-laws. The requirements in our By-laws are separate from, and in addition to, the requirements in Regulation 14A under the Securities Exchange Act of 1934 that a shareholder must meet in order to have a shareholder proposal included in the Company's proxy statement. To be considered timely under our By-laws, a proposal for business at our 2008 annual meeting must be received no earlier than November 20, 2007 and no later than December 20, 2007. For information about the policies of the Company's Board of Directors relating to shareholder nominees, see "Consideration of Director Nominees" in this proxy statement.

By Order of the Board of Directors,

/s/ Patricia E. O'Melia

Patricia E. O'Melia
Secretary