

TOMPKINS FINANCIAL CORP
Form DEF 14A
April 09, 2009

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

**SCHEDULE 14A
(Rule 14a-101)
Information Required in Proxy Statement
Schedule 14A Information**

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

Filed by the Registrant x
Filed by a Party other than the Registrant o

Check the appropriate box:

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

Tompkins Financial Corporation

(Name of Registrant as Specified In Its Charter)

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

Payment of Filing Fee (Check the appropriate box):

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

- 1) Title of each class of securities to which transaction applies:
- 2) Aggregate number of securities to which transaction applies:
- 2)

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

- 4) Proposed maximum aggregate value of transaction:
- 5) Total fee paid:

- Fee paid previously with preliminary materials.
- Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

- 1) Amount Previously Paid:
 - 2) Form, Schedule or Registration Statement No.:
 - 3) Filing Party:
 - 4) Date Filed:
-

April 10, 2009

NOTICE OF 2009 ANNUAL MEETING OF STOCKHOLDERS

TO THE STOCKHOLDERS OF TOMPKINS FINANCIAL CORPORATION

The annual meeting of stockholders (the Meeting) of Tompkins Financial Corporation (Tompkins Financial or the Company) will be held on Monday, May 11, 2009 at 5:30 p.m., at the Country Club of Ithaca, 189 Pleasant Grove Road, Ithaca, New York, for the following purposes:

1. To elect twelve (12) directors for a term of one year expiring in the year 2010;
2. Ratification of the selection of the independent registered public accounting firm, KPMG LLP, as the Company s independent auditor for the fiscal year ending December 31, 2009;
3. To approve the Tompkins Financial Corporation 2009 Equity Plan; and
4. To transact such other business as may properly come before the Meeting or any adjournment thereof.

The Board of Directors has fixed the close of business on March 13, 2009 as the record date for determining stockholders entitled to notice of and to vote at the Meeting. Only stockholders of record at the close of business on that date are entitled to vote at the Meeting.

A stockholder s information meeting for our stockholders in western New York will be held at 5:30 p.m. on Tuesday, May 12, 2009, at Terry Hills Restaurant, 5122 Clinton Street Road (Rt. 33), Batavia, New York.

A stockholder s information meeting for our stockholders in the Hudson Valley will be held at 6:00 p.m. on Wednesday, May 20, 2009, at Sinapi s Ceola Manor, Hill Blvd., Jefferson Valley, New York.

Enclosed with this notice are a proxy statement, a form of proxy and return envelope, instructions for voting by telephone or via the Internet, the Company s Annual Report on Form 10-K for the Company s 2008 fiscal year, and the Company s 2008 Corporate Report to stockholders.

Your vote is important regardless of the number of shares you own. Whether or not you plan to attend the Meeting, you are urged to read and carefully consider the enclosed proxy statement. You may vote by telephone, via the Internet, or mark, sign, date, and return the enclosed form of proxy in the accompanying pre-addressed postage-paid envelope. Your proxy may be revoked prior to its exercise by filing a written notice of revocation or a duly executed proxy bearing a later date with the Corporate Secretary of Tompkins Financial prior to the Meeting, or by attending the Meeting and filing a written notice of revocation with the Corporate Secretary at the Meeting prior to the vote and voting in person.

By Order of the Board of Directors,

/s/ James J. Byrnes
James J. Byrnes
Chairman

/s/ Linda M. Carlton
Linda M. Carlton
Asst. Vice President & Corporate Secretary

P.O. BOX 460, ITHACA, NEW YORK 14851 (607) 273-3210

**IMPORTANT NOTICE REGARDING THE AVAILABILITY OF PROXY MATERIALS
FOR THE STOCKHOLDER MEETING TO BE HELD MAY 11, 2009**

The proxy statement and annual report to security holders are available under the SEC Filings tab at www.tompkinsfinancial.com.

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PROXY STATEMENT

ANNUAL MEETING OF STOCKHOLDERS TO BE HELD MAY 11, 2009

This proxy statement together with the form of proxy is being mailed to stockholders on or about April 10, 2009 in connection with the solicitation by the Board of Directors of Tompkins Financial Corporation ("Tompkins Financial" or the "Company") of proxies to be used at the annual meeting of stockholders (the "Meeting") of the Company to be held at the Country Club of Ithaca, 189 Pleasant Grove Road, Ithaca, New York on Monday, May 11, 2009 at 5:30 p.m., and any adjournment thereof.

Voting

Only stockholders of record at the close of business on March 13, 2009 will be entitled to vote. On March 13, 2009, there were 9,700,328 shares of common stock of the Company, par value \$0.10 per share (the "Common Stock"), outstanding. Each share of Common Stock is entitled to one vote on each matter to be voted on at the Meeting.

Stockholders whose shares are registered in their own names may vote by mailing a completed proxy, via the Internet or by telephone or by voting in person at the Meeting. Instructions for voting via the Internet or by telephone are set forth on the enclosed form of proxy. To vote by mailing a proxy, sign and return the enclosed form of proxy in the enclosed pre-addressed postage-paid envelope. Shares of Common Stock covered by a proxy that is properly executed and returned will be voted and, if the stockholder who executes such proxy specifies therein how such shares shall be voted on such proposals, the shares will be voted as so specified. Executed proxies with no instructions will be voted FOR each proposal for which no instruction is given. Other than the election of directors, the proposal for ratification of the selection of the independent registered public accounting firm, KPMG LLP, as the Company's independent auditor for the fiscal year ending December 31, 2009, and approval of the proposed Tompkins Financial Corporation 2009 Equity Plan, the Board is not aware of any other matters to be presented for stockholder action at the Meeting. However, if other matters do properly come before the Meeting or any adjournments thereof, the Board of Directors intends that the persons named in the accompanying proxy will vote the shares represented by all properly executed proxies on any such matters in accordance with the judgment of the person or persons acting under the proxy.

The presence of a stockholder at the Meeting will not automatically revoke a proxy previously delivered by that stockholder. A stockholder may, however, revoke his or her proxy at any time prior to its exercise by: (1) delivering to the Corporate Secretary a written notice of revocation prior to the Meeting, (2) delivering to the Corporate Secretary a duly executed proxy bearing a later date, or (3) attending the Meeting and filing a written notice of revocation with the Corporate Secretary at the Meeting prior to the vote and voting in person.

The presence, in person or by proxy, of the holders of at least a majority of the shares of Common Stock entitled to vote at the Meeting is necessary to constitute a quorum for the conduct of business at the Meeting and, in the event there are not sufficient votes on any matter, the Meeting may be adjourned.

Vote Required and Board Recommendations

<u>Proposal No. 1</u>	<u>Vote Required</u>	<u>Board of Directors Recommendation</u>
Election of Directors	A plurality of votes cast by holders of shares of Common Stock entitled to vote thereon	FOR all director nominees
 <u>Proposal No. 2</u>	 <u>Vote Required</u>	 <u>Board of Directors Recommendation</u>
Ratification of the selection of the independent registered public accounting firm, KPMG LLP, as the Company's independent auditor for the fiscal year ending December 31, 2009	An affirmative vote of a majority the votes cast on the matter	FOR the ratification of the selection of the independent registered public accounting firm, KPMG LLP, as the Company's independent auditor for the fiscal year ending December 31, 2009
 <u>Proposal No. 3</u>	 <u>Vote Required</u>	 <u>Board of Directors Recommendation</u>
To approve Tompkins Financial Corporation 2009 Equity Plan	An affirmative vote of a majority of all outstanding shares of Common Stock entitled to vote thereon	FOR the Tompkins Financial Corporation 2009 Equity Plan

Abstentions and Broker Non-votes

Abstentions, in person or by proxy, and broker non-votes will each be counted for purposes of determining the presence of a quorum. A broker non-vote occurs when a broker, bank, or other nominee holding shares for a beneficial owner does not vote on a particular proposal because the nominee does not have discretionary voting power on that matter and has not received instructions from the beneficial owner. Broker non-votes will have no effect on Proposal No. 1 Election of Directors. As to Proposal No. 2 Ratification of the selection of the independent registered public accounting firm, KPMG LLP, as the Company's independent auditor for the fiscal year ending December 31, 2009, and Proposal No. 3 To approve the proposed Tompkins Financial Corporation 2009 Equity Plan, broker non-votes will have the same effect as votes Against the proposal.

Solicitation of Proxies

The total cost of solicitation of proxies in connection with the Meeting will be borne by the Company. In addition to solicitation by mail, directors, officers and employees of the Company may solicit proxies for the Meeting personally or by telephone or electronic communication without additional remuneration. The Company will also provide brokers and other record owners holding shares in their names or in the names of nominees, in either case which are beneficially owned by others, proxy material for transmittal to such beneficial owners and will reimburse such record owners for their expenses in doing so.

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SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

The following table sets forth certain information, as of March 13, 2009, with respect to the beneficial ownership of the Company's Common Stock by: (1) each stockholder known by the Company to be the beneficial owner of more than 5% of the Company's Common Stock; (2) each director and nominee; (3) each executive officer named in the Summary Compensation Table; and (4) all executive officers and directors as a group. Except as otherwise indicated, each of the stockholders named below has sole voting and investment power with respect to the outstanding shares of Common Stock beneficially owned.

Names	Common Stock Ownership	
	Number of Shares Beneficially Owned or Held in Deferred Trust	Percent of Outstanding Shares ⁽¹⁾
Directors, Nominees and Executive Officers		
Russell K. Achzet ^{+,++}	63,795 ⁽²⁾	**
John E. Alexander ^{+,++}	26,473 ⁽³⁾	**
David S. Boyce*	22,715 ⁽⁴⁾	**
James J. Byrnes ⁺	45,034	**
Daniel J. Fessenden ⁺⁺	309 ⁽⁵⁾	**
Francis M. Fetsko*	31,729 ⁽⁶⁾	**
James W. Fulmer ^{*,++}	112,668 ⁽⁷⁾	1.16
Reeder D. Gates ⁺	117,783 ⁽⁸⁾	1.17
James R. Hardie ^{+,++}	67,705 ⁽⁹⁾	**
Elizabeth W. Harrison ^{+,++}	1,881 ⁽¹⁰⁾	**
Carl E. Haynes ⁺	3,584 ⁽¹¹⁾	**
Patricia A. Johnson ^{+,++}	1,963 ⁽¹²⁾	**
Gerald J. Klein, Jr.*	26,890 ⁽¹³⁾	**
Hunter R. Rawlings, III ^{+,++}	4,826 ⁽¹⁴⁾	**
Thomas R. Rochon ⁺⁺	265 ⁽¹⁵⁾	**
Stephen S. Romaine ^{*,+,++}	32,518 ⁽¹⁶⁾	**
Thomas R. Salm ^{+,++}	9,819 ⁽¹⁷⁾	**
Michael D. Shay ^{+,+++}	11,559 ⁽¹⁸⁾	**
Michael H. Spain ⁺	429,198 ⁽¹⁹⁾	4.41
William D. Spain, Jr. ⁺	425,486 ⁽²⁰⁾	4.37
Craig Yunker ^{+,++}	13,013 ⁽²¹⁾	**
All directors and executive officers as a group (26 persons)		11.35
Investment Services Division of Tompkins Trust Company in the fiduciary capacity indicated:		
Executor, Trustee or Co-Trustee	868,857 ⁽²²⁾	8.96
Trustee for the Tompkins Financial Employee Stock Ownership and Investment & Stock Ownership Plans	581,688 ⁽²²⁾	6.00
Agent or Custodian	682,588 ⁽²²⁾	7.04

* Named Executive Officer

+ Currently a Director of the Company

++ Director Nominee

+++ Has chosen not to stand for re-election. Term will expire effective May 11, 2009.

** Less than 1 percent

⁽¹⁾ The number of shares beneficially owned by each person or group as of March 13, 2009, includes shares of Common Stock that such person or group had the right to acquire on or within 60 days after March 13, 2009, including, but not limited to, upon the exercise of options. References to options in these footnotes include only options to purchase shares that were exercisable on or within 60 days after March 13, 2009. For each individual and group included in the table, percentage ownership is calculated by dividing the number of shares beneficially owned by such person or group by the sum of the 9,700,328 shares of Common Stock outstanding on March 13, 2009 plus the number of shares of Common Stock that such person or group had the right to acquire on or within 60 days after March 13, 2009. The percentages listed in this column do not include shares acquired pursuant to the Company's Amended and Restated Retainer Plan for Eligible Directors of Tompkins Financial Corporation and its wholly-owned subsidiaries (the Retainer Plan) and held in a

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deferred trust account; directors have no voting or investment power with respect to such shares. For a more detailed discussion of the Retainer Plan, refer to *Timing and Manner of Payment of Company Board Compensation*, page 11.

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- (2) Shares are owned by the Russell K. Achzet Revocable Trust.
- (3) Includes 386 shares owned by Mr. Alexander's spouse and 4,835 shares acquired pursuant to the Retainer Plan and held in a deferred trust account; however, directors have no voting or investment power with respect to such shares.
- (4) Includes 1,427 shares held in the Company's Employee Stock Ownership and Investment & Stock Ownership Plans and 11,156 shares that Mr. Boyce may acquire by exercise of options exercisable at March 13, 2009 or 60 days thereafter.
- (5) Includes 43 shares acquired pursuant to the Retainer Plan and held in a deferred trust account; however, directors have no voting or investment power with respect to such shares.
- (6) Includes 2,623 shares held in the Company's Employee Stock Ownership and Investment & Stock Ownership Plans and 27,275 shares that Mr. Fetsko may acquire by exercise of options exercisable at March 13, 2009 or 60 days thereafter.
- (7) Includes 10,636 shares held in the Company's Employee Stock Ownership Plan, 25,593 shares owned by Mr. Fulmer's spouse, 384 shares held by Mr. Fulmer as Custodian for his son under the Uniform Transfers to Minors Act, and 35,565 shares that Mr. Fulmer may acquire by exercise of options exercisable at March 13, 2009 or 60 days thereafter.
- (8) Includes 2,910 shares owned by Mr. Gates's spouse and 4,425 shares acquired pursuant to the Retainer Plan and held in a deferred trust account; however, directors have no voting or investment power with respect to such shares.
- (9) Includes 502 shares held in the Company's Employee Stock Ownership Plan and 1,203 shares acquired pursuant to the Retainer Plan and held in a deferred trust account; however, directors have no voting or investment power with respect to such shares.
- (10) Includes 1,576 shares acquired pursuant to the Retainer Plan and held in a deferred trust account; however, directors have no voting or investment power with respect to such shares.
- (11) Includes 2,766 shares acquired pursuant to the Retainer Plan and held in a deferred trust account; however, directors have no voting or investment power with respect to such shares.
- (12) Includes 1,963 shares acquired pursuant to the Retainer Plan and held in a deferred trust account; however, directors have no voting or investment power with respect to such shares.
- (13) Includes 1,388 shares held in the Company's Employee Stock Ownership and Investment & Stock Ownership Plans and 21,367 shares that Mr. Klein may acquire by exercise of options exercisable at March 13, 2009 or 60 days thereafter.
- (14) Includes 3,834 shares acquired pursuant to the Retainer Plan and held in a deferred trust account; however, directors have no voting or investment power with respect to such shares.
- (15) Includes 62 shares acquired pursuant to the Retainer Plan and held in a deferred trust account; however, directors have no voting or investment power with respect to such shares.
- (16) Includes 2,741 shares held in the Company's Employee Stock Ownership and Investment & Stock Ownership Plans and 29,674 shares that Mr. Romaine may acquire by exercise of options exercisable at March 13, 2009 or 60 days thereafter.
- (17) Includes 1,052 shares owned by Mr. Salm's spouse and 5,279 shares acquired pursuant to the Retainer Plan and held in a deferred trust account; however, directors have no voting or investment power with respect to such shares.
- (18) Includes 2,797 shares acquired pursuant to the Retainer Plan and held in a deferred trust account; however, directors have no voting or investment power with respect to such shares.
- (19) Includes 382,461 shares of Common Stock held by W. D. Spain & Sons Limited Partnership, of which Mr. Michael Spain is a General Partner and shares voting and investment control. Mr. Spain disclaims beneficial ownership of all shares of Common Stock owned by W. D. Spain & Sons Limited Partnership, except to the extent of 76,492 shares which represent his indirect pecuniary interest, through his ownership of 20% of W. D. Spain & Sons Limited Partnership. Mr. Spain's ownership figure includes 1,853 shares acquired pursuant to the Retainer Plan and held in a deferred trust account; however, directors have no voting or investment power with respect to such shares.

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- (20) Includes 382,461 shares of Common Stock held by W. D. Spain & Sons Limited Partnership, of which Mr. William Spain, Jr. is a General Partner and shares voting and investment control. Mr. Spain disclaims beneficial ownership of all shares of Common Stock owned by W. D. Spain & Sons Limited Partnership, except to the extent of 76,492 shares which represent his indirect pecuniary interest, through his ownership of 20% of W. D. Spain & Sons Limited Partnership. Mr. Spain's ownership figure includes 1,946 shares acquired pursuant to the Retainer Plan and held in a deferred trust account; however, directors have no voting or investment power with respect to such shares.
- (21) Includes 2,443 shares acquired pursuant to the Retainer Plan and held in a deferred trust account; however, directors have no voting or investment power with respect to such shares.
- (22) As of March 13, 2009, Tompkins Investment Services, a division of the Tompkins Trust Company, which is a wholly-owned subsidiary of the Company (the Trust Company), held 2,133,133 shares of Common Stock of the Company, representing 22.00% of the outstanding shares of Common Stock. Of such shares, 868,857 shares, or 8.96% of the outstanding shares, are held in a fiduciary capacity as executor, trustee or co-trustee. Where the Trust Company is sole executor or trustee, such shares, generally, will be voted only if the legal instrument provides for voting the stock at the direction of the donor or a beneficiary and such direction is in fact received. When acting in a co-fiduciary capacity, such shares will be voted by the co-fiduciary or fiduciaries in the same manner as if the co-fiduciary or fiduciaries were the sole fiduciary. Of the 2,133,133 shares held, the Trust Company is also trustee of 581,688 shares identified in the above table, or 6.00% of the outstanding shares. Of which 456,607 shares, or 4.71% of the outstanding shares, are held by the Company's Employee Stock Ownership Plan and 125,081 shares, or 1.29% of the outstanding shares, are held by the Company's Investment & Stock Ownership Plan for which all shares have been allocated to participant accounts. Individual plan participants are entitled to vote these shares, and as a result these shares are not voted by the Trustee. The shares of Common Stock held in deferred trust accounts for non-employee directors are voted by the Trust Company, as trustee of the Rabbi Trust. In addition, 682,588 shares are held as agent or custodian with the voting power retained by the owner. Such shares represent 7.04% of the Common Stock outstanding. Tompkins Trust Company's address is P.O. Box 460, Ithaca, New York 14851.

As of December 31, 2008, other than as listed in the Common Stock Ownership table above, no person was known by the Company to be the beneficial owner of more than 5% of the outstanding shares of the Company's common stock, except as follows:

Name and Address of Beneficial Owner	Shares of Common Stock Beneficially Owned	Percent of Class
Barclays Global Investors, NA ⁽¹⁾ 400 Howard Street, San Francisco, CA 94105	569,642	5.89%

(1) This information is based on a Schedule 13G filed by Barclays Global Investors, NA on February 6, 2009. Barclays Global Investors, NA, Barclays Global Fund Advisors, Barclays Global Investors, LTD, Barclays Global Investors Japan Limited, Barclays Global Investors Canada Limited, Barclays Global Investors Australia Limited and Barclays Global Investors (Deutschland) AG have sole voting power over 452,411 of the shares and sole dispositive power over all of the shares. These shares are held in trust accounts for the economic benefit of the beneficiaries of those accounts.

PROPOSAL NO. 1

ELECTION OF DIRECTORS

At the Annual Meeting of Stockholders held May 5, 2008, a proposal to amend the Company's Certificate of Incorporation and By-Laws to declassify the Board of Directors was approved by the Company's shareholders. This declassification was phased in over three years. As a result, 5 of the 17 directors have one year remaining on their original three-year term. The remaining 12 individuals elected will serve for a one-year term expiring at the 2010 Annual Meeting and, with respect to each director, until his or her successor is elected and qualified.

Ten of the director nominees—Russell K. Achzet, John E. Alexander, James W. Fulmer, James R. Hardie, Elizabeth W. Harrison, Patricia A. Johnson, Hunter R. Rawlings, III, Stephen S. Romaine, Thomas R. Salm, and Craig Yunker—are currently serving as directors. Their terms expire in 2009, and each is standing for re-election at the Annual Meeting. Daniel J. Fessenden and Thomas R. Rochon were identified and nominated by the Nominating and Corporate Governance Committee for election at the Annual Meeting of Stockholders. The twelve nominees receiving the highest number of affirmative votes of the shares entitled to vote at the Meeting will be elected to the Board.

The persons named in the proxy to represent stockholders at the Meeting are Francis M. Fetsko and Linda M. Carlton. The proxies will vote as directed and, in the absence of instructions, will vote the shares represented by the proxies in favor of the election of nominees named below. In the event any nominee is unable or declines to serve as a director at the time of the Meeting, the proxies will be voted for any nominee, if any, who may be designated by the Board of Directors, upon recommendation of the Company's Nominating and Corporate Governance Committee, to fill the vacancy. As of the date of this proxy statement, the Board of Directors is not aware that any nominee is unable or will decline to serve as a director.

The Board recommends a vote FOR the election of each of the director nominees.

The following table sets forth each director nominee and each person who served as a director in 2008 and includes such person's name, age, the year he or she first became a director, the year in which his or her term will expire, and whether he or she has been determined to be an independent director. Biographies of the director nominees and the directors continuing in office follow the table. Unless otherwise indicated, all directors have been employed in their current positions for at least five years.

Name	Age	Year First Elected Director	Term to Expire	Independent ⁽¹⁾
Board Nominees for Terms to Expire in 2010:				
Russell K. Achzet	68	2006	2010	No
John E. Alexander	56	1993 ⁽²⁾	2010	Yes
Daniel J. Fessenden	43	2009	2010	Yes
James W. Fulmer	57	2000	2010	No
James R. Hardie	66	2001	2010	No
Elizabeth W. Harrison	58	2004	2010	Yes
Patricia A. Johnson	53	2006	2010	Yes
Hunter R. Rawlings, III	64	1996	2010	Yes
Thomas R. Rochon	56	2009	2010	Yes
Stephen S. Romaine	44	2007	2010	No
Thomas R. Salm	68	1981 ⁽²⁾	2010	Yes
Craig Yunker	58	2000	2010	Yes
Directors Continuing in Office:				
James J. Byrnes	67	1989 ⁽²⁾	2010	No
Reeder D. Gates	63	1985 ⁽²⁾	2010	Yes
Carl E. Haynes	63	1996 ⁽²⁾	2010	Yes
Michael H. Spain	51	2000	2010	No
William D. Spain, Jr.	57	2000	2010	No

⁽¹⁾ Independence has been determined in accordance with Section 803A of the listing standards of NYSE Amex Guide.

⁽²⁾ Served as director of Tompkins Trust Company, which, as a result of a re-organization in 1995, became a wholly-owned subsidiary of the Company.

Business Experience of Directors, including Director Nominees

Russell K. Achzet was appointed to serve as a director of the Company on January 24, 2006. He also serves as Vice Chairman of AM&M Financial Services, Inc. (AM&M). He founded AM&M in 1977, and its affiliated entities thereafter. He served as Chief Executive Officer of AM&M until it was acquired by the Company on January 6, 2006. Mr. Achzet is certified by the Certified Financial Planner Board of Standards, Inc., and is a founder of National Advisors Trust Company, FSB and served on its Board of Directors until December 2005. Mr. Achzet is President & CEO of Achzet-Monaghan, Inc., a company engaged in offering public employee deferred compensation plans, President & CEO of Achzet Family Enterprises, Inc., a business consulting company, President of Trillseed and co-owner of 120 Linden Partners, private investment companies, a director of the University Technology Seed Fund, an investment seed fund, a board member and director of FBC Technologies, Inc. a engineered waste water treatment company and a member and minority owner of M-6, an insurance holding company.

John E. Alexander has served as a director of the Company since 1995 and as a director of Tompkins Trust Company since 1993. Mr. Alexander was a principal stockholder and served as President and Chief Executive Officer of The CBORD Group, Inc., a computer software company which Mr. Alexander founded in 1975, until July 1, 2004. Mr. Alexander served as Chairman of the Board through February 2008. Prior to CBORD, Alexander was a Vice President in the Money Market Division of Bankers Trust Company. He currently serves on the board of the United Way of Tompkins County and the Food Bank of the Southern Tier, as well as serving as a Trustee Emeritus of Cornell University.

Daniel J. Fessenden was identified and nominated by the Nominating and Corporate Governance Committee for election at the Annual Meeting of Stockholders. He was elected as a director of Tompkins Trust Company effective January 1, 2009. Mr. Fessenden served as a member of the New York State Assembly from 1993 to 1999. He currently serves as the Executive Director of the Fred L. Emerson Foundation, a fourth generation family foundation located in Auburn, New York. From 2004 to 2006 he served as the founding Executive Director of the Cornell & Food Technology Park, Geneva, New York. Prior to 2004, Mr. Fessenden served as a key member of the government relations team for the Carrier Corporation, Syracuse, New York.

James W. Fulmer served as President and a director of the Company since 2000. Pursuant to the Succession Plan, Mr. Fulmer was appointed Vice Chairman of the Company effective January 1, 2007. He also serves as a director of The Bank of Castile, a wholly-owned subsidiary of the Company, and has served in such capacity since 1988 and its Chairman since 1992. Mr. Fulmer also serves as the President and Chief Executive Officer of The Bank of Castile. Mr. Fulmer serves as a director of Mahopac National Bank, and has served in such capacity since 1999, as Chairman of Tompkins Insurance Agencies since January 1, 2001, and as Chairman of AM&M Financial Services, Inc. since February 2006. He served as the President and Chief Executive Officer of Letchworth Independent Bancshares Corporation from 1991 until its merger with the Company in 1999. In 2006, he was appointed to serve as a member of the board of directors of the Federal Home Loan Bank of New York, effective January 2007. He also actively serves as a member of the board of directors of Erie and Niagara Insurance Association, the United Memorial Medical Center, the Cherry Valley Cooperative Insurance Company, Genesee County Economic Development Center and WXXI Public Broadcasting Council.

James R. Hardie has served as a director of the Company since 2001. Mr. Hardie has been Vice Chairman of the board of directors of Tompkins Insurance Agencies, a wholly-owned subsidiary of the Company, since August 1, 2002. He was President of Austin, Hardie, Wise Agency, Inc. from 1974 until January 1, 2001, when he became President, Chief Executive Officer and a director of Tompkins Insurance Agencies. Effective January 1, 2003, Mr. Hardie's role as President and Chief Executive Officer was assumed by David S. Boyce; although Mr. Hardie no longer serves as the President and Chief Executive Officer of Tompkins Insurance Agencies, he continues to be employed by Tompkins Insurance Agencies as a producer. Mr. Hardie is the managing member of Bennington Farms, LLC, a property leasing company.

Elizabeth W. Harrison has served as a director of the Company since 2004. She also serves as a director of The Bank of Castile and she has served in such capacity since February 2002. In 2006, Ms. Harrison retired as President and Chief Executive Officer of the Genesee Country Village & Museum. She had served in such capacity since November 1999. She also served on the Museum's Board of Trustees from 1996 through 2006. Prior to 1999, Ms. Harrison served for 18 years as President and Chief Executive Officer of Career Development Services, a not-for-profit educational corporation. Ms. Harrison currently serves on the boards of the Landmark Society of Western New York and the Hochstein School of Music.

Patricia A. Johnson has served as a director of the Company since 2006, and she currently serves as a director of Tompkins Trust Company and has served in such capacity since 2002. Ms. Johnson began with Cornell University as the Assistant Treasurer in 1995 and has been Treasurer since March 1999. In 2007, Ms. Johnson was appointed Associate Vice President & Treasurer. Ms. Johnson currently serves as Treasurer of the Cornell Research Foundation and the Cornell Club of New York and as Chair of Planned Parenthood of the Southern Finger Lakes. She was also a member of the NACUBO Accounting Principles Council, and is currently a member of the Association for Financial Professionals.

Hunter R. Rawlings, III has served as a director of the Company and as a director of Tompkins Trust Company since 1996. From July 1, 1995, until his resignation, effective June 30, 2003, Dr. Rawlings was President of Cornell University. Dr. Rawlings is a Professor in the Classics Department and served as Interim President of Cornell University for the 2005-2006 academic year.

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Thomas R. Rochon was identified and nominated by the Nominating and Corporate Governance Committee for election at the Annual Meeting of Stockholders. He was elected as a director of Tompkins Trust Company effective January 1, 2009. In July, 2008, Dr. Rochon was appointed President of Ithaca College. Prior to his appointment, he served from 2003 to July, 2008 as the Executive Vice President and Chief Academic Officer for the University of St. Thomas in Minnesota. Dr. Rochon also served as a Professor in St. Thomas' s Political Science Department. From 2002 to 2003, he was the Executive Director of the Graduate Record Examinations program at the Educational Testing Service (ETS).

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Stephen S. Romaine was appointed to serve as a director of the Company on January 1, 2007. Pursuant to the management succession plan adopted by the Company's Board of Directors (the Succession Plan), Mr. Romaine was appointed President and Chief Executive Officer of the Company effective January 1, 2007. He had served as President and Chief Executive Officer of Mahopac National Bank from January 1, 2003 through December 31, 2006. Prior to this appointment, Mr. Romaine was Executive Vice President, Chief Financial Officer of Mahopac National Bank. Mr. Romaine currently serves on the boards of the New York Bankers Association and the Independent Bankers Association.

Thomas R. Salm has served as a director of the Company since 1995 and as a director of Tompkins Trust Company since 1981. Mr. Salm has served as Vice Chairman of the Company and Tompkins Trust Company since May 2006. Prior to his retirement on August 31, 2002, Mr. Salm served as Vice President for Business Affairs at Ithaca College, Ithaca, New York for 26 years.

Craig Yunker has served as a director of the Company since 2000 and as a director of The Bank of Castile since 1991. He is the Managing Member of CY Farms, LLC, CY Properties, LLC, CY Heifer Farm, LLC, Batavia Turf, LLC, Provitello, LLC, companies engaged in farming. Since 2001, he has served as a Trustee of Cornell University.

James J. Byrnes served as the Company's Chief Executive Officer from its formation in 1995 until his retirement on December 31, 2006, and has served as the Chairman of the Board of Directors of the Company since its formation in 1995. He served as President of Tompkins Trust Company beginning in 1989 through 2002 and again in 2006. Mr. Byrnes currently serves as Chairman of the Board of Directors of Tompkins Financial Corporation. He also serves as Chairman of the board of directors of Tompkins Trust Company, and as a director of Mahopac National Bank and AM&M. He also serves as Chairman of the board of New York Business Development Corporation. Prior to 1989, Mr. Byrnes was an officer with other banking companies.

Reeder D. Gates has served as a director of the Company since 1995 and as a director of Tompkins Trust Company since 1985. Prior to his retirement in 2005, Mr. Gates was the President of R. D. Gates, Ltd., a company engaged in owning and operating community pharmacies, since January 1972.

Carl E. Haynes served as a director of the Company from 1996 until 2000 and was re-appointed on February 20, 2007. He has served as a director of Tompkins Trust Company since 1996. Dr. Haynes has been President of Tompkins Cortland Community College since 1995, and he served as Chairman of the board of directors of Cayuga Medical Center until May 2007. He also serves on the board of directors of the TC-3 Foundation, Therm, Inc., CNY Regional Alliance, Cortland Business Network, Cortland County Business Development Corporation, Cayuga-Cortland Workforce Investment Board, Tompkins County Area Development Corporation, Tompkins County Zone Advisory Board, Tompkins County Workforce Development, Association of Presidents of Public Community Colleges, Community Colleges for International Development, and International Advisory Board for The Chair Academy.

Michael H. Spain has served as a director of the Company since 2000. Mr. Spain also serves as a director of Mahopac National Bank and has served in such capacity since 1992. Mr. Spain also owns and serves as the President of the Spain Agency, an insurance agency located in Mahopac, New York. Mr. Spain is also a General Partner in W. D. Spain & Sons, LLP, a family limited partnership that owns Common Stock of the Company; President of Sleeping Indian, LLC, and Trail Property, Inc, real estate holding companies; and President of Wind River, LLC and Indian Paintbrush, LLC, companies engaged in real estate development, and President of Risk Mitigation Advisors, LLC, a company engaged in loss control risk management.

William D. Spain, Jr. has served as a director of the Company since 2000. He also serves as a director of Mahopac National Bank and has served in such capacity since 1991, and as Chairman of the Board of Directors of Mahopac National Bank since 2000. He has been the Managing Partner of Spain & Spain, PC, a law firm in Mahopac, New York, since 1983. Mr. Spain is also a General Partner in W. D. Spain & Sons, LLP, a family limited partnership that owns Common Stock of the Company.

The names and ages of the Company's executive officers, including the Named Executive Officers identified in the Summary Compensation Table in this proxy statement, their positions and offices held with the Company, their term of office and experience is set forth in Part I of the Company's Annual Report on Form 10-K for the Company's 2008 fiscal year, a copy of which is enclosed with this proxy statement.

Matters Relating To The Board Of Directors*Board of Directors Meetings and Committees; Annual Meeting Attendance*

During fiscal 2008, the Board of Directors held four regular meetings, and as a matter of Company practice John E. Alexander, Reeder D. Gates, Elizabeth W. Harrison, Carl E. Haynes, Patricia A. Johnson, Hunter R. Rawlings III, Thomas R. Salm, Michael D. Shay and Craig Yunker, (the Independent Directors) met in Executive Session at the end of each regular meeting. Thus during 2008, the Independent Directors held four meetings. During this period, all of the directors attended or participated in at least 75% of the aggregate of the total number of meetings of the Board of Directors and the total number of meetings held by all committees of the Board of Directors on which each such director served, other than John E. Alexander and Hunter R. Rawlings, III who attended or participated in 67%. Messrs. Alexander and Rawlings were briefed, both before and after meetings, on matters covered at the Board of Director and committee meetings they were not able to attend.

The Annual Meeting of Stockholders for fiscal 2007 was held on May 5, 2008, and with the exception of Russell K. Achzet and Hunter R. Rawlings, III, all of the Company s directors were in attendance.

The Board currently maintains and appoints the members of the following four standing committees: Executive/Compensation/Personnel Committee, Audit/Examining Committee, Nominating and Corporate Governance Committee and the Pension Investment Review Committee.

Committee Membership

Director	Executive/Compensation/ Personnel	Audit/Examining	Nominating/Corporate Governance	Pension Investment Review
John E. Alexander		Chair	Alternate	
James J. Byrnes				Chair
Reeder D. Gates	X		X	
Elizabeth W. Harrison	X		X	
Carl E. Haynes	X			X
Patricia A. Johnson		X		
Hunter R. Rawlings, III				X
Thomas R. Salm	Chair	Alternate	Chair	
Michael D. Shay		X		
Craig Yunker	X			

The Board of Directors has adopted a written charter for the Executive/Compensation/Personnel Committee. A copy of the Executive/Compensation/Personnel Committee s charter is posted in the Corporate Governance section of the Company s Investor Relations website (www.tompkinsfinancial.com). The committee met four times during fiscal 2008. Among its duties and responsibilities, the Committee assesses executive performance and reviews, determines and recommends salaries and other matters relating to executive compensation, including the compensation of the Company s Chief Executive Officer. It also administers the Company s stock option plans, including reviewing and granting stock options to executive officers and other employees. The committee also reviews and approves various other Company compensation policies and matters, senior management planning, and is responsible for ensuring that the Company s executive officers are compensated effectively and in a manner consistent with the Company s objectives. Each of the members of this committee is an independent director as defined in Section 803A of the NYSE Amex Company Guide.

The Board of Directors has adopted a written charter for the Audit/Examining Committee. A copy of the Audit/Examining Committee s charter is posted in the Corporate Governance section of the Company s Investor Relations website (www.tompkinsfinancial.com). The Audit/Examining Committee met seven times during fiscal 2008. This committee assists the Board in its general oversight of the Company s accounting and financial reporting, internal controls and audit functions, and is directly responsible for the appointment, compensation and oversight of the work of the Company s independent auditors. The responsibilities and activities of the Audit/Examining Committee are described in greater detail in the Report of the Audit/Examining Committee of the Board of Directors included in this proxy statement. The Board of Directors has determined that John E. Alexander, Patricia A. Johnson and Michael D. Shay each qualify as an audit committee financial expert as defined in Item 407(d) of Regulation S-K and that each of the members of the Audit/Examining Committee satisfies the independence standards of Section 803A of the NYSE Amex Company Guide and Rule 10A-3 under the Securities Exchange Act of 1934, as amended (the Exchange Act).

The Board of Directors has adopted a written charter for the Nominating and Corporate Governance Committee. A copy of the Nominating and Corporate Governance Committee s charter is posted in the Corporate Governance section of the Company s Investor Relations website (www.tompkinsfinancial.com). The Nominating and Corporate Governance Committee met three times during the 2008 fiscal year. This committee is responsible for assisting the Board in developing corporate governance policies and practices that comply with applicable laws and regulations, including NYSE Amex listing and corporate governance requirements and the corporate governance requirements of the

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Sarbanes-Oxley Act of 2002. In addition, this committee is responsible for making recommendations to the Board regarding Board membership and composition. This committee establishes procedures for the nomination process and nominates or recommends to the Board qualified candidates for election to the Board.

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The process for selecting director nominees entails making a preliminary assessment of each candidate based upon his or her qualifications, willingness to serve on the Board, and other background information. This information is then evaluated against the criteria set forth below, as well as the specific needs of the Company at that time. Based upon this preliminary assessment, candidates who appear to be qualified may be interviewed. If the director nominee is a current Board member, the committee will also consider prior Board performance and contributions. At the conclusion of this process, the committee will recommend to the Board qualified candidates that best meet the Company's needs to the Board for election at the next annual meeting of stockholders. The committee uses the same process for evaluating all candidates, whether recommended by stockholders, directors or management.

The minimum qualifications and attributes that the committee believes must be possessed by a director nominee include: highest personal values, judgment and integrity; an understanding of the regulatory and policy environment in which the Company conducts its business; an understanding of, and interest in, the communities served by the Company; and experience in the key business, financial and management challenges that face financial service companies.

The committee considers nominees proposed by stockholders. To recommend a prospective nominee for the committee's consideration, stockholders should submit the candidate's name and qualifications to: Chairman, Nominating and Corporate Governance Committee, Tompkins Financial Corporation Board of Directors, P.O. Box 460, Ithaca, New York 14851. Each member of this committee is an independent director as defined in Section 803A of the NYSE Amex Company Guide.

The Pension Investment Review Committee met two times during fiscal 2008. This committee is responsible for reviewing the assets held in the Tompkins Financial Corporation Retirement Plan.

Director Compensation

It is the general policy of the Board that employee directors are not paid for their service on the Company's Board of Directors beyond their regular employee compensation.

2008 Director Compensation⁽¹⁾