

GLOBAL PARTNERS LP

Form S-3

August 06, 2007

As filed with the Securities and Exchange Commission on August 6, 2007

Registration No. 333-

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM S-3

REGISTRATION STATEMENT UNDER THE SECURITIES ACT OF 1933

Global Partners LP

(Exact Name of Registrant as Specified in Its Charter)

Delaware

(State or Other Jurisdiction of Incorporation or Organization)

74-3140887

(I.R.S. Employer Identification Number)

P.O. Box 9161
800 South St.
Waltham, Massachusetts 02454-9161
(781) 894-8800

(Address, Including Zip Code, and Telephone Number, including Area Code, of Registrant's Principal Executive Offices)

Edward J. Faneuil
P.O. Box 9161
800 South St.
Waltham, Massachusetts 02454-9161
(781) 894-8800

(Name, Address, Including Zip Code, and Telephone Number, Including Area Code, of Agent for Service)

With a copy to:

Alan P. Baden
Vinson & Elkins L.L.P.
666 Fifth Avenue, 26th Floor
New York, New York 10103
(212) 237-0000

Approximate date of commencement of proposed sale to the public: From time to time after this Registration Statement becomes effective.

If the only securities being registered on this Form are being offered pursuant to dividend or interest reinvestment plans, please check the following box. O

If any of the securities being registered on this Form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, other than securities offered only in connection with dividend or interest reinvestment plans, check the following box. X

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, please check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. O

If this Form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. O

If this Form is a registration statement pursuant to General Instruction I.D. or a post-effective amendment thereto that shall become effective upon filing with the Commission pursuant to Rule 462(e) under the Securities Act, check the following box. O

If this Form is a post-effective amendment to a registration statement filed pursuant to General Instruction I.D. filed to register additional securities or additional classes of securities pursuant to Rule 413(b) under the Securities Act, check the following box. O

CALCULATION OF REGISTRATION FEE

| Title Of Each Class Of Securities To Be Registered | Amount To Be Registered(1) | Proposed Maximum Offering Price Per Unit(2) | Proposed Maximum Aggregate Offering Price(2) | Amount Of Registration Fee |
|---|----------------------------|---|--|----------------------------|
| Common units representing limited partner interests | 1,785,715 | \$ 38.05 | \$ 67,946,455.75 | \$ 2,086 |

(1) Pursuant to Rule 416(a), the number of common units being registered shall be adjusted to include any additional common units that may become issuable as a result of any unit distribution, split, combination or similar transaction.

(2) Estimated solely for the purpose of calculating the registration fee pursuant to Rule 457(c) on the basis of the average of the high and low sales prices of the common units on the New York Stock Exchange on August 2, 2007.

The registrant hereby amends this registration statement on such date or dates as may be necessary to delay its effective date until the registrant shall file a further amendment which specifically states that this registration statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933 or until the registration statement shall become effective on such date as the Securities and Exchange Commission, acting pursuant to said Section 8(a), may determine.

The information in this prospectus is not complete and may be changed. These securities may not be sold until the registration statement filed with the Securities and Exchange Commission is effective. This prospectus is not an offer to sell these securities and it is not soliciting an offer to buy these securities in any state where the offer or sale is not permitted.

SUBJECT TO COMPLETION, DATED AUGUST 6, 2007

PROSPECTUS

GLOBAL PARTNERS LP

**1,785,715 Common Units
Representing Limited Partner Interests**

Up to 1,785,715 common units may be offered and sold from time to time by the selling unitholders named in this prospectus or in any supplement to this prospectus. The selling unitholders may sell the common units at various times and in various types of transactions, including sales in the open market, sales in negotiated transactions and sales by a combination of these methods. The common units covered by this prospectus may be sold at market prices prevailing at the time or at negotiated prices. We will not receive any proceeds from the sale of the common units by the selling unitholders.

Our common units are traded on the New York Stock Exchange under the symbol GLP.

Investing in our securities involves a high degree of risk. Limited partnerships are inherently different from corporations. You should carefully consider each of the factors referred to under Risk Factors beginning on page 5 of this prospectus and contained in the applicable prospectus supplement and in the documents incorporated by reference herein and therein before you make an investment in our securities.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

The date of this prospectus is _____, 2007

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You should rely only on the information contained in this prospectus, any prospectus supplement and the documents we have incorporated by reference. We have not authorized anyone to provide you with different or inconsistent information. We are not making an offer to sell these securities in any jurisdiction where an offer or sale is not permitted. You should not assume that the information contained in this prospectus or any prospectus supplement, as well as the information we previously filed with the Securities and Exchange Commission that is incorporated by reference herein, is accurate as of any date other than its respective date.

ABOUT THIS PROSPECTUS

This prospectus is part of a registration statement on Form S-3 that we have filed with the Securities and Exchange Commission, or SEC, utilizing a shelf registration process or continuous offering process. Under this shelf registration process, the selling unitholders may, from time to time, sell up to 1,785,715 common units.

This prospectus provides you with a general description of us and the common units that may be offered by the selling unitholders. In connection with any offer or sale of common units by the selling unitholders under this prospectus, the selling unitholders are required to provide this prospectus and, in certain cases, a prospectus supplement that will contain specific information about the selling unitholders, the terms of the applicable offering and the securities being offered. The prospectus supplement may also add to, update or change information in this prospectus. If there is any inconsistency between the information in this prospectus and any prospectus supplement, you should rely on the information in the prospectus supplement.

The information in this prospectus is accurate as of its date. Therefore, before you invest in our securities, you should carefully read this prospectus and any prospectus supplement and the additional information described under the heading **Where You Can Find More Information**.

References in this prospectus to Global Partners LP, we, our, us or like terms when used in reference to periods prior to October 4, 2005 refer to the business of Global Companies LLC and its affiliates, Glen Hes Corp., Global Montello Group Corp. and Chelsea Sandwich LLC. When used in reference to periods from and after October 4, 2005, those terms refer to Global Partners LP and its subsidiaries.

WHERE YOU CAN FIND MORE INFORMATION

The SEC allows us to incorporate by reference the information we have filed with the SEC. This means that we can disclose important information to you without actually including the specific information in this prospectus by referring you to those documents. The information incorporated by reference is an important part of this prospectus. Information that we file later with the SEC will automatically update and may replace information in this prospectus and information previously filed with the SEC. Therefore, before you decide to invest in a particular offering under this prospectus, you should always check for reports we may have filed with the SEC after the date of this prospectus.

We incorporate by reference into this prospectus the documents listed below and any future filings we make with the SEC under Sections 13(a), 13(c), 14, or 15(d) of the Securities Exchange Act of 1934 until the applicable offering under this prospectus and any prospectus supplement is terminated, other than information furnished to the SEC under Item 2.02 or 7.01 of Form 8-K and which is not deemed filed under the Securities Exchange Act of 1934 and is not incorporated in this prospectus:

- our annual report on Form 10-K for the year ended December 31, 2006;
- our quarterly report on Form 10-Q for the quarter ended March 31, 2007;
- our current reports on Form 8-K filed February 1, 2007, February 6, 2007, March 19, 2007, March 22, 2007, April 26, 2007, May 10, 2007 and July 10, 2007; and
- the description of our common units contained in the Registration Statement on Form 8-A, filed August 3, 2005.

You may read and copy any document we file at the SEC's public reference facilities maintained by the SEC at 100 F Street, N.E., Room 1580, Washington, D.C. 20549. Copies of this material can also be obtained upon written request from the Public Reference Section of the SEC at 100 F Street, N.E., Room 1580, Washington, D.C. 20549, at prescribed rates or from the SEC's web site on the Internet at <http://www.sec.gov>. Please call the SEC at 1 (800) SEC-0330 for further information on public reference rooms. Additionally, you can obtain information about us through the New York Stock Exchange, 20 Broad Street, New York, New York 10005, on which our common units are listed.

We also make available free of charge on our website, at <http://www.globalp.com>, all materials that we file electronically with the SEC, including our annual report on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K, Section 16 reports and amendments to these reports as soon as reasonably practicable after such materials are electronically filed with, or furnished to, the SEC.

You also may request a copy of any document incorporated by reference in this prospectus, at no cost, by writing or calling us at the following:

Global Partners LP
Investor Relations
P.O. Box 9161
800 South St.
Waltham, Massachusetts 02454-9161
(781) 894-8800

INFORMATION REGARDING FORWARD-LOOKING STATEMENTS

Some of the information included in this prospectus, any prospectus supplement and the documents we incorporate by reference contain forward-looking statements within the meaning of the federal securities laws. These forward-looking statements are identified as any statements that do not relate strictly to historical or current facts and can generally be identified by the use of forward-looking terminology, including may, will, believe, expect, anticipate, estimate, continue or other similar words. Such statements may discuss future expectations for, or contain projections of, results of operations, financial condition or our ability to make distributions to unitholders or state other forward-looking information. Forward-looking statements are not guarantees of performance. Although we believe these forward-looking statements are based on reasonable assumptions, statements made regarding future results are subject to a number of assumptions, uncertainties and risks, many of which are beyond our control, which may cause future results to be materially different from the results stated or implied in this document. These risks and uncertainties include, among other things:

- We may not have sufficient cash from operations to enable us to pay the minimum quarterly distribution following establishment of cash reserves and payment of fees and expenses, including payments to our general partner.
- Warmer weather conditions could adversely affect our results of operations and cash available for distribution to our unitholders.
- Our risk management policies cannot eliminate all commodity risk. In addition, any non-compliance with our risk management policies could result in significant financial losses.
- We are exposed to trade credit risk in the ordinary course of our business activities.
- Due to our lack of asset and geographic diversification, adverse developments in the terminals that we use or in our operating areas could reduce our ability to make distributions to our unitholders.
- We are exposed to performance risk in our supply chain.
- Our general partner and its affiliates have conflicts of interest and limited fiduciary duties, which may permit them to favor their own interests to the detriment of unitholders.
- Unitholders have limited voting rights and are not entitled to elect our general partner or its directors or initially to remove our general partner without its consent, which could lower the trading price of our common units.
- Unitholders may be required to pay taxes on their share of our income even if they do not receive any cash distributions from us.

Additional information about risks and uncertainties that could cause actual results to differ materially from forward-looking statements is contained in Risk Factors.

Developments in any of these areas could cause our results to differ materially from results that have been or may be anticipated or projected.

All forward-looking statements included in this prospectus, any prospectus supplement and the documents we incorporate by reference and all subsequent written or oral forward-looking statements attributable to us or persons acting on our behalf are expressly qualified in their entirety by these cautionary statements. Forward-looking statements speak only as of the date of this prospectus or, in the case of forward-looking statements contained in any document incorporated by reference, the date of such document, and we expressly disclaim any obligation or undertaking to update these statements to reflect any change in our expectations or beliefs or any change in events, conditions or circumstances on which any forward-looking statement is based.

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ABOUT GLOBAL PARTNERS LP

Overview

We own, control or have access to one of the largest terminal networks of refined petroleum products in the Northeast. We are one of the largest wholesale distributors of gasoline, distillates (such as home heating oil, diesel and kerosene) and residual oil to wholesalers, retailers and commercial customers in the Northeast.

We purchase our refined petroleum products primarily from domestic and foreign refiners, traders and producers and sell these products in two segments, Wholesale and Commercial. Like most independent marketers of refined petroleum products, we base our pricing on spot physical prices and routinely use the New York Mercantile Exchange (NYMEX) or derivatives to hedge our commodity risk inherent in buying and selling energy commodities. Through the use of regulated exchanges or derivatives, we maintain positions that are substantially balanced between purchased volumes and sales volumes or future delivery obligations. We earn a margin by selling the product for physical delivery to third parties.

Our products include gasoline, distillates, residual oil and bunker fuel. We sell gasoline to unbranded retail gasoline stations and resellers. The distillates we sell are used primarily for fuel for trucks and off-road construction equipment and for space heating of residential and commercial buildings. We sell residual oil to major housing units, such as public housing authorities, colleges and hospitals and large industrial facilities that use processed steam in their manufacturing processes. In addition, we sell bunker fuel, which we can custom blend, to cruise ships, bulk carriers and fishing fleets.

Partnership Structure and Management

Global GP LLC is our general partner and has sole responsibility for conducting our business and managing our operations.

Our principal executive offices are located at P.O. Box 9161, 800 South St., Waltham, Massachusetts 02454-9161, and our phone number is (781) 894-8800. Our website is located at <http://www.globalp.com>. We make our periodic reports and other information filed with or furnished to the SEC available, free of charge, through our website, as soon as reasonably practicable after those reports and other information are electronically filed with or furnished to the SEC. Information on our website or any other website, other than information we file with the SEC, is not incorporated by reference into this prospectus and does not constitute a part of this prospectus. Our common units are traded on the New York Stock Exchange under the symbol GLP.

RISK FACTORS

An investment in our securities involves a significant degree of risk. Before you invest in our securities, you should carefully consider those risk factors included in our most recent Annual Report on Form 10-K, as supplemented by our quarterly reports on Form 10-Q, each of which is incorporated herein by reference and those risk factors that may be included in any applicable prospectus supplement together with all of the other information included in this prospectus, any prospectus supplement and the documents we incorporate by reference in evaluating an investment in our securities.

If any of the risks discussed in the foregoing documents were to occur, our business, financial condition, results of operations and cash flows could be materially adversely affected. In that case, we may be unable to pay distributions to our unitholders, or pay interest on, or the principal of, any debt securities. In that event, the trading price of our securities could decline and you could lose all or part of your investment.

USE OF PROCEEDS

The common units to be offered and sold pursuant to this prospectus will be offered and sold by the selling unitholders. We will not receive any proceeds from the sale of common units by the selling unitholders.

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DESCRIPTION OF THE COMMON UNITS

The common units and the subordinated units are each separate classes of limited partner interests in us. The holders of each class of units are entitled to participate in partnership distributions and exercise the rights or privileges available to limited partners under our partnership agreement. For a description of the relative rights and preferences of holders of common units and subordinated units in and to partnership distributions, please read this section and *How We Make Cash Distributions*. For a description of the rights and privileges of limited partners under our partnership agreement, including voting rights, please read *The Partnership Agreement*.

Transfer Agent and Registrar

Duties

American Stock Transfer and Trust Company serves as registrar and transfer agent for the common units. We pay all fees charged by the transfer agent for transfers of common units, except the following that must be paid by unitholders:

- surety bond premiums to replace lost or stolen certificates, or to cover taxes and other governmental charges in connection therewith;
- special charges for services requested by a holder of a common unit; and
- other similar fees or charges.

There is no charge to unitholders for disbursements of our cash distributions. We will indemnify the transfer agent, its agents and each of their stockholders, directors, officers and employees against all claims and losses that may arise out of acts performed or omitted for its activities in that capacity, except for any liability due to any gross negligence or intentional misconduct of the indemnified person or entity.

Resignation or Removal

The transfer agent may resign, by notice to us, or be removed by us. The resignation or removal of the transfer agent will become effective upon our appointment of a successor transfer agent and registrar and its acceptance of the appointment. If no successor has been appointed and has accepted the appointment within 30 days after notice of the resignation or removal, our general partner may act as the transfer agent and registrar until a successor is appointed.

Transfer of Common Units

The transfer of the common units to persons that purchase directly from the underwriters will be accomplished through the completion, execution and delivery of a transfer application by the investor. Any later transfers of a common unit will not be recorded by the transfer agent or recognized by us unless the transferee executes and delivers a transfer application. By executing and delivering a transfer application, the transferee of common units:

- becomes the record holder of the common units and is an assignee until admitted into our partnership as a substituted limited partner;
- automatically requests admission as a substituted limited partner in our partnership;
- agrees to be bound by the terms and conditions of, and executes, our partnership agreement;
- represents that the transferee has the capacity, power and authority to enter into our partnership agreement;
- grants powers of attorney to officers of our general partner and any liquidator of us as specified in our partnership agreement; and

- gives the consents, covenants, representations and approvals contained in our partnership agreement, such as the approval of all transactions and agreements we entered into in connection with our initial public offering.

An assignee will become a substituted limited partner of our partnership for the transferred common units automatically upon the recording of the transfer on our books and records. Our general partner will cause any unrecorded transfers for which a completed and duly executed transfer application has been received to be recorded on our books and records no less frequently than quarterly.

A transferee's broker, agent or nominee may complete, execute and deliver a transfer application. We are entitled to treat the nominee holder of a common unit as the absolute owner. In that case, the beneficial holder's rights are limited solely to those that it has against the nominee holder as a result of any agreement between the beneficial owner and the nominee holder.

Common units are securities and are transferable according to the laws governing transfer of securities. In addition to other rights acquired upon transfer, the transferor gives the transferee the right to request admission as a substituted limited partner in our partnership for the transferred common units. A purchaser or transferee of common units who does not execute and deliver a transfer application obtains only:

- the right to assign the common unit to a purchaser or other transferee; and
- the right to transfer the right to seek admission as a substituted limited partner in our partnership for the transferred common units.

Thus, a purchaser or transferee of common units who does not execute and deliver a properly completed transfer application:

- will not receive cash distributions;
- will not be allocated any of our income, gain, deduction, losses or credits for federal income tax or other tax purposes;
- may not receive some federal income tax information or reports furnished to record holders of common units; and
- will have no voting rights;

unless the common units are held in a nominee or street name account and the nominee or broker has executed and delivered a transfer application and certification as to itself and any beneficial holders.

The transferor of common units has a duty to provide the transferee with all information that may be necessary to transfer the common units. The transferor does not have a duty to ensure the execution of the transfer application by the transferee and has no liability or responsibility if the transferee neglects or chooses not to execute and forward the transfer application to the transfer agent. Please read The Partnership Agreement Status as Limited Partner or Assignee.

Until a common unit has been transferred on our books, we and the transfer agent may treat the record holder of the unit as the absolute owner for all purposes, except as otherwise required by law or stock exchange regulations.

HOW WE MAKE CASH DISTRIBUTIONS

General

Our cash distribution policy reflects a basic judgment that our unitholders will be better served by our distributing our available cash rather than retaining it. Because we are not subject to an entity-level federal income tax, we have more cash to distribute to you than would be the case were we subject to tax.

Our cash distribution policy is consistent with the terms of our partnership agreement which requires us to distribute available cash to unitholders on a quarterly basis. Our determination of available cash takes into account the need to maintain certain cash reserves to preserve our distribution levels across seasonal and cyclical fluctuations in our business.

Because we intend to distribute the majority of the cash generated from our business to our unitholders, we will in large part rely upon external financing sources, including commercial borrowings and other debt and equity issuances, to fund our acquisition and capital improvement expenditures. However, to the extent we are unable to finance growth externally, our cash distribution policy could significantly impair our ability to grow.

There is no guarantee that unitholders will receive quarterly distributions from us. Our distribution policy is subject to certain restrictions and may be changed at any time, including:

- Our distribution policy is subject to certain restrictions on distributions under our current and anticipated debt agreements. Should we be unable to satisfy these restrictions under our debt agreements, we would be prohibited from making a distribution to you notwithstanding our stated distribution policy.
- The board of directors of our general partner has broad discretion to establish reserves for the prudent conduct of our business and the establishment of those reserves could result in a reduction of our stated distribution policy.
- Even if our cash distribution policy is not modified or revoked, the amount of distributions paid under our policy and the decision to make any distribution is determined by our general partner, taking into consideration the terms of our partnership agreement.
- Under Section 17-607 of the Delaware Revised Uniform Limited Partnership Act, we may not make a distribution to you if the distribution would cause our liabilities to exceed the fair value of our assets.
- We may lack sufficient cash to pay distributions to our unitholders due to increases in selling, general and administrative expenses, capital expenditures, principal and interest payments on our outstanding debt, working capital requirements and anticipated cash needs.

Distributions of Available Cash

General

Within 45 days after the end of each quarter, we distribute all of our available cash to unitholders of record on the applicable record date.

Definition of Available Cash

Available cash generally means, for each fiscal quarter, all cash on hand at the end of the quarter:

- less the amount of cash reserves established by our general partner to:
- provide for the proper conduct of our business;

- comply with applicable law, any of our debt instruments, or other agreements; or
- provide funds for distributions to our unitholders and to our general partner for any one or more of the next four quarters;
- plus all cash on hand on the date of determination of available cash for the quarter resulting from working capital borrowings made after the end of the quarter. Working capital borrowings, as defined in our partnership agreement, are generally borrowings that are made under our credit facility and in all cases are used solely for working capital purposes or to pay distributions to partners.

General Partner Interest and Incentive Distribution Rights

Our general partner is entitled to 1.73% of all quarterly distributions that we make prior to our liquidation. This general partner interest is represented by 230,303 general partner units. Our general partner has the right, but not the obligation, to contribute a proportionate amount of capital to us to maintain its current general partner interest. Our general partner's current 1.73% interest in these distributions may be reduced if we issue additional units in the future and our general partner does not contribute a proportionate amount of capital to us to maintain its 1.73% general partner interest. Our general partner also currently holds incentive distribution rights that entitle it to receive increasing percentages, up to a maximum of 48%, of the cash we distribute from operating surplus (as defined below) in excess of \$0.4625 per unit. The maximum distribution of 48% does not include distributions paid to our general partner on its 1.73% general partner interest. The maximum distribution of 48% does not include any distributions that our general partner may receive on units that it owns. Please read [Incentive Distribution Rights](#) for additional information.

Operating Surplus and Capital Surplus

General

All cash distributed to unitholders will be characterized as either operating surplus or capital surplus. We distribute available cash from operating surplus differently than available cash from capital surplus.

Definition of Operating Surplus

Operating surplus, for any period, generally means:

- our cash balance on the closing date of our initial public offering; plus
- \$7.5 million (as described below); plus
- all of our cash receipts after the closing of our initial public offering, excluding cash from borrowings that are not working capital borrowings, sales of equity and debt securities and sales or other dispositions of assets outside the ordinary course of business; plus
- working capital borrowings made after the end of a quarter but before the date of determination of operating surplus for the quarter; less
- all of our operating expenditures (as defined below) after the closing of our initial public offering; less
- the amount of cash reserves established by our general partner to provide funds for future operating expenditures.

Operating expenditures generally means, all of our expenditures, including, but not limited to, taxes, reimbursements of our general partner, repayment of working capital borrowings, debt service payments and capital expenditures, subject to the following:

- payments (including prepayments) of principal of and premium on indebtedness, other than working capital borrowings, does not constitute operating expenditures; and

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- operating expenditures does not include:
- capital expenditures made for acquisitions or for capital improvements;
- payment of transaction expenses relating to interim capital transactions; or
- distributions to partners.

Where capital expenditures are made in part for acquisitions or for capital improvements and in part for other purposes, our general partner, with the concurrence of the conflicts committee, will determine the allocation between the amounts paid for each.

Maintenance capital expenditures reduce operating surplus, from which we pay the minimum quarterly distribution, but capital expenditures for acquisitions and capital improvements do not. Maintenance capital expenditures represent capital expenditures to replace partially or fully depreciated assets to maintain the operating capacity of or sales generated by existing assets and extend their useful lives. Maintenance capital expenditures include expenditures required to maintain equipment reliability, tankage and pipeline integrity and safety and to address environmental regulations. Capital improvement expenditures include expenditures to acquire assets to grow our business and to expand existing facilities, such as projects that increase operating capacity by increasing tankage or adding terminals. Repair and maintenance expenses associated with existing assets that are minor in nature and do not extend the useful life of existing assets are charged to operating expenses as incurred. The officers and directors of our general partner determine how to allocate a capital expenditure for the acquisition or expansion of our assets between maintenance capital expenditures and capital improvement expenditures.

Definition of Capital Surplus

Capital surplus is generally generated only by:

- borrowings other than working capital borrowings;
- sales of debt and equity securities; and
- sales or other disposition of assets for cash, other than inventory, accounts receivable and other current assets sold in the ordinary course of business or as part of normal retirements or replacements of assets.

Characterization of Cash Distributions

We treat all available cash distributed as coming from operating surplus until the sum of all available cash distributed since we began operations equals the operating surplus as of the most recent date of determination of available cash. We treat any amount distributed in excess of operating surplus, regardless of its source, as capital surplus. As reflected above, operating surplus includes \$7.5 million in addition to our cash balance on the closing date of our initial public offering, cash receipts from our operations and cash from working capital borrowings. This amount does not reflect actual cash on hand at closing of our initial public offering that is available for distribution to our unitholders. Rather, it is a provision that enables us, if we choose, to distribute as operating surplus up to \$7.5 million of cash we receive from non-operating sources, such as asset sales, issuances of securities, and long-term borrowings, that would otherwise be distributed as capital surplus. We do not anticipate that we will make any distributions from capital surplus.

Subordination Period

General

During the subordination period, which we define below, the common units have the right to receive distributions of available cash from operating surplus in an amount equal to the minimum quarterly distribution of \$0.4125 per quarter, plus any arrearages in the payment of the minimum quarterly distribution on the common units from prior quarters, before any distributions of available cash from operating surplus may be made on the subordinated units. Affiliates of the Slifka family now own all the 5,642,424 outstanding subordinated units, representing a 42.42% limited partner interest in us. These units are deemed subordinated because for a period of

time, referred to as the subordination period, the subordinated units are not entitled to receive any distributions until the common units have received the minimum quarterly distribution plus any arrearages from prior quarters. Furthermore, no arrearages are paid on the subordinated units. The practical effect of the subordination period is to increase the likelihood that during this period there will be sufficient available cash to pay the minimum quarterly distribution on the common units.

Definition of Subordination Period

The subordination period will extend until the first day of any quarter beginning after September 30, 2010 that each of the following tests are met:

- distributions of available cash from operating surplus on each of the outstanding common units and subordinated units and general partner units equaled or exceeded the minimum quarterly distribution for each of the three consecutive, non-overlapping four-quarter periods immediately preceding that date;
- the adjusted operating surplus (as defined below) generated during each of the three consecutive, non-overlapping four-quarter periods immediately preceding that date equaled or exceeded the sum of the minimum quarterly distributions on all of the outstanding common units and subordinated units during those periods on a fully diluted basis and on the general partner units during those periods; and
- there are no arrearages in payment of the minimum quarterly distribution on the common units.

In addition, if the unitholders remove our general partner other than for cause and units held by our general partner and its affiliates are not voted in favor of such removal:

- the subordination period will end and each subordinated unit will immediately convert into one common unit;
- any existing arrearages in payment of the minimum quarterly distribution on the common units will be extinguished; and
- our general partner will have the right to convert its general partner interest and its incentive distribution rights into common units or to receive cash in exchange for those interests.

Early Conversion of Subordinated Units

If the tests for ending the subordination period are satisfied for any three consecutive four-quarter periods ending on or after September 30, 2008, 25% of the subordinated units will convert into an equal number of common units. Similarly, if those tests are also satisfied for any three consecutive four-quarter periods ending on or after September 30, 2009, an additional 25% of the subordinated units will convert into an equal number of common units. The second early conversion of subordinated units may not occur, however, until at least one year following the end of the period for the first early conversion of subordinated units.

Definition of Adjusted Operating Surplus

Adjusted operating surplus, for any period, generally means:

- operating surplus generated with respect to that period; less
- any net increase in working capital borrowings with respect to that period; less
- any net reduction in cash reserves for operating expenditures with respect to that period not relating to an operating expenditure made with respect to that period; plus

- any net decrease in working capital borrowings with respect to that period; plus

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- any net increase in cash reserves for operating expenditures with respect to that period required by any debt instrument for the repayment of principal, interest or premium.

Adjusted operating surplus is intended to reflect the cash generated from operations during a particular period and therefore excludes net increases in working capital borrowings and net drawdowns of reserves of cash generated in prior periods.

Effect of Expiration of the Subordination Period

Upon expiration of the subordination period, each outstanding subordinated unit will convert into one common unit and will then participate pro rata with the other common units in distributions of available cash.

Distributions of Available Cash from Operating Surplus During the Subordination Period

We will make distributions of available cash from operating surplus for any quarter during the subordination period in the following manner:

- *First*, 98.27% to the common unitholders, pro rata, and 1.73% to our general partner, until we distribute for each outstanding common unit an amount equal to the minimum quarterly distribution for that quarter;
- *Second*, 98.27% to the common unitholders, pro rata, and 1.73% to our general partner, until we distribute for each outstanding common unit an amount equal to any arrearages in payment of the minimum quarterly distribution on the common units for any prior quarters during the subordination period;
- *Third*, 98.27% to the subordinated unitholders, pro rata, and 1.73% to our general partner, until we distribute for each subordinated unit an amount equal to the minimum quarterly distribution for that quarter; and
- *Thereafter*, in the manner described in **Incentive Distribution Rights** below.

The preceding discussion is based on the assumptions that our general partner maintains its 1.73% general partner interest and that we do not issue additional classes of equity securities.

Distributions of Available Cash from Operating Surplus after the Subordination Period

We will make distributions of available cash from operating surplus for any quarter after the subordination period in the following manner:

- *First*, 98.27% to all unitholders pro rata, and 1.73% to our general partner, until we distribute for each outstanding unit an amount equal to the minimum quarterly distribution for that quarter; and
- *Thereafter*, in the manner described in **Incentive Distribution Rights** below.

The preceding discussion is based on the assumptions that our general partner maintains its 1.73% general partner interest and that we do not issue additional classes of equity securities.

Incentive Distribution Rights

Incentive distribution rights represent the right to receive an increasing percentage of quarterly distributions of available cash from operating surplus after the minimum quarterly distribution and the target distribution levels have been achieved. Our general partner currently holds the incentive distribution rights, but may transfer these rights separately from its general partner interest, subject to restrictions in our partnership agreement.

If for any quarter:

- we have distributed available cash from operating surplus to the common and subordinated unitholders in an amount equal to the minimum quarterly distribution; and
- we have distributed available cash from operating surplus on outstanding common units in an amount necessary to eliminate any cumulative arrearages in payment of the minimum quarterly distribution;

then, we will distribute any additional available cash from operating surplus for that quarter among the unitholders and our general partner in the following manner:

- *First*, 98.27% to all unitholders, pro rata, and 1.73% to our general partner, until each unitholder receives a total of \$0.4625 per unit for that quarter (the first target distribution);
- *Second*, 85.27% to all unitholders, pro rata, and 14.73% to our general partner, until each unitholder receives a total of \$0.5375 per unit for that quarter (the second target distribution);
- *Third*, 75.27% to all unitholders, pro rata, and 24.73% to our general partner, until each unitholder receives a total of \$0.6625 per unit for that quarter (the third target distribution); and
- *Thereafter*, 50.27% to all unitholders, pro rata, and 49.73% to our general partner.

In each case, the amount of the target distribution set forth above is exclusive of any distributions to common unitholders to eliminate any cumulative arrearages in payment of the minimum quarterly distribution. The preceding discussion is based on the assumptions that our general partner maintains its 1.73% general partner interest and that we do not issue additional classes of equity securities.

Percentage Allocations of Available Cash from Operating Surplus

The following table illustrates the percentage allocations of available cash from operating surplus between the unitholders and our general partner up to and above the various target distribution levels. The amounts set forth under **Marginal Percentage Interest in Distributions** are the percentage interests of our general partner and the unitholders in any available cash from operating surplus we distribute up to and including the corresponding amount in the column **Total Quarterly Distribution**, until available cash from operating surplus we distribute reaches the next target distribution level, if any. The percentage interests shown for the unitholders and our general partner for the minimum quarterly distribution are also applicable to quarterly distribution amounts that are less than the minimum quarterly distribution. The percentage interests set forth below for our general partner include its 1.73% general partner interest and assume our general partner has not transferred its incentive distribution rights.

| | Total Quarterly Distribution Target Amount | Marginal Percentage Interest in Distributions | | General Partner | |
|--------------------------------|---|--|---|------------------------|---|
| | | Unitholders | | | |
| Minimum Quarterly Distribution | \$0.4125 | 98.27 | % | 1.73 | % |
| First Target Distribution | up to \$0.4625 | 98.27 | % | 1.73 | % |
| Second Target Distribution | above \$0.4625 up to \$0.5375 | | | | |

SIZE: 10pt;
 FONT-WEIGHT:
 bold"> in Cash(1)

All Other
 Compensation

Total

Diane B. Cavanaugh

\$30,750 \$— \$30,750
 Arthur M. Levine
 31,750 — 31,750
 Charles A. Martinek
 — — —(2)
 John F. McKenzie
 30,750 — 30,750
 Linda M. Swan
 30,750 — 30,750
 Harry (Jeff) A.S. Read
 30,750 — 30,750
 Kenneth H. Thomas
 29,750 85,000(3) 114,750

(1) Includes fees earned for service with the Company and the Bank.

- (2) As an employee of the Bank, Mr. Charles Martinek did not receive any fees for his service as a director of the Company or the Bank. Mr. Martinek is not a named executive officer listed in the Summary Compensation Table.
- (3) Amount listed represents payment for consulting work performed for the Bank on matters relating to bank branching and the Community Reinvestment Act. Dr. Thomas has been a consultant to the Bank since 1978.

Cash Retainer and Meeting Fees for Non-Employee Directors. Each non-employee director of the Bank receives a \$3,000 quarterly retainer plus \$1,000 per meeting attended. Non-employee directors also receive a \$750 quarterly retainer plus \$750 per meeting attended for their service on the Board of Directors of the Company, \$500 per meeting attended for service on the Audit, Compensation, and Nominating/Corporate Governance Committees of the Board of the Company, and \$1,000 per meeting attended for service on the Strategic Planning Committee. Directors do not receive any fees for their service on the Board of Directors of NorthEast Community Bancorp, MHC.

Directors' Deferred Compensation Plan. The Bank maintains the NorthEast Community Bank Directors' Deferred Compensation Plan to provide director participants with a vehicle to defer fees until termination of service or a change in control. Director participants may elect on or before December 31st of each year to defer all or part of their fees earned during the following year. All deferrals are credited with interest on an annual basis at the prevailing rate payable by the Bank on its 60-month certificate of deposit. Directors are fully vested at all times in their deferrals. Directors must determine when their account balances will be distributed at the time a deferral election is made and all plan distributions will be made in cash. Plan account balances are also payable upon disability, termination of service, death, following a change in control or upon the occurrence of an unforeseeable emergency. Currently, there are no participants in the Director Deferred Compensation Plan.

Outside Director Retirement Plan. The Bank maintains the NorthEast Community Bank Outside Director Retirement Plan to provide non-employee directors with long standing service with a supplemental retirement benefit. All current non-employee directors are participants in the plan. Participating directors are entitled to receive a retirement benefit calculated based on years of service and director fees paid during the 12 completed calendar months preceding a director's termination of service multiplied by a vesting percentage. Participating directors with less than 10 years of service will receive no benefit under the plan. Participating directors with 10 years but less than 15 years of service will receive a benefit based on 50% of the total directors fees paid during the 12 completed calendar months preceding the director's termination. Participating directors with 15 years but less than 20 years will receive 75% of the total directors fees paid during the 12 completed calendar months preceding the director's termination. Participating directors with 20 or more years of service will receive a benefit calculated using 100% of the director fees paid during the 12 months preceding the directors termination. Participating directors vest in their retirement benefit at a rate of 20% per year for years of service after January 1, 2006. The annual director retirement benefit is generally paid monthly over a 120-month period following the month in which a director terminates his service on the Board of Directors. In the event a participating director dies while in pay status, the director's beneficiary will receive his or her remaining installments beginning in the month immediately following the director's death. In the event a participating

director is terminated in connection with a change in control (as defined in the plan), the director will receive a lump sum payment equal to the actuarial equivalent of the director's monthly benefit. In the event a participating director is removed from the Board of Directors for cause, the director will forfeit all rights and benefits under the plan.

Board and Committee Meetings

During 2010, the Board of Directors held 18 meetings. Each of our current directors attended at least 95% of the Board meetings and the committee meetings on which such director served during 2010.

Director Attendance at Annual Meeting of Stockholders

The Board of Directors encourages each director to attend annual meetings of stockholders. All of the directors attended the 2010 Annual Meeting of Stockholders.

Code of Ethics and Business Conduct

The Company has adopted a Code of Ethics and Business Conduct that is designed to promote the highest standards of ethical conduct by the Company's directors, executive officers and employees. The Code of Ethics and Business Conduct requires that the Company's directors, executive officers and employees avoid conflicts of interest, comply with all laws and other legal requirements, conduct business in an honest and ethical manner and otherwise act with integrity and in the Company's best interest. Under the terms of the Code of Ethics and Business Conduct, directors, executive officers and employees are required to report any conduct that they believe in good faith to be an actual or apparent violation of the Code of Ethics and Business Conduct. A copy of the Code of Ethics and Business Conduct can be found in the Investor Relations section of the Company's website, www.necommunitybank.com.

REPORT OF THE AUDIT COMMITTEE

The Company's management is responsible for the Company's internal controls and financial reporting process. The independent registered public accounting firm ("independent accountants") are responsible for performing an independent audit of the Company's consolidated financial statements and issuing an opinion on the conformity of those financial statements with generally accepted accounting principles. The Audit Committee oversees the Company's internal controls and financial reporting process on behalf of the Board of Directors.

In this context, the Audit Committee has met and held discussions with management and the independent accountants. Management represented to the Audit Committee that the Company's consolidated financial statements were prepared in accordance with generally accepted accounting principles, and the Audit Committee has reviewed and discussed the consolidated financial statements with management and the independent accountants. The Audit Committee discussed with the independent accountants matters required to be discussed by Statement on Auditing Standards No. 61, as amended (AICPA, Professional Standards, Vol. 1 AV Section 380), as adopted by the Public Company Accounting Oversight Board in Rule 3200T, including the quality, not just the acceptability, of the accounting principles, the reasonableness of significant judgments, and the clarity of the disclosures in the financial statements. In addition, the Audit Committee has received the written disclosures and the letter from the independent accountants required by applicable requirements of the Public Company Accounting Oversight Board regarding the independent accountant's communications with the Audit Committee concerning independence and has discussed with the independent accountants the independent accountants' independence. In concluding that the auditors are independent, the Audit Committee considered, among other factors, whether the non-audit services provided by the auditors were compatible with their independence.

The Audit Committee discussed with the Company's independent accountants the overall scope and plans for their audit. The Audit Committee meets with the independent accountants, with and without management present, to discuss the results of their examination, their evaluation of the Company's internal controls, and the overall quality of the Company's financial reporting.

In performing all of these functions, the Audit Committee acts only in an oversight capacity. In its oversight role, the Audit Committee relies on the work and assurances of the Company's management, which has the primary responsibility for financial statements and reports, and of the independent accountants who, in their report, express an opinion on the conformity of the Company's financial statements to generally accepted accounting principles. The Audit Committee's oversight does not provide it with an independent basis to determine that management has maintained appropriate accounting and financial reporting principles or policies, or appropriate internal controls and procedures designed to assure compliance with accounting standards and applicable laws and regulations. Furthermore, the Audit Committee's considerations and discussions with management and the independent accountants do not assure that the Company's financial statements are presented in accordance with generally accepted accounting principles, that the audit of the Company's consolidated financial statements has been carried out in accordance with the standards of the Public Company Accounting Oversight Board (United States) or that the Company's independent accountants are in fact "independent."

In reliance on the reviews and discussions referred to above, the Audit Committee recommended to the Board of Directors, and the Board has approved, that the audited consolidated financial statements be included in the Company's Annual Report on Form 10-K for the year ended December 31, 2010 for filing with the Securities and Exchange Commission.

Audit Committee of the Board of Directors of
NorthEast Community Bancorp, Inc.

Arthur M. Levine (Chairperson)
John F. McKenzie
Linda Swan

STOCK OWNERSHIP

The following table provides information as of March 31, 2011, with respect to persons known by the Company to be the beneficial owners of more than 5% of the Company's outstanding common stock. A person may be considered to own any shares of common stock over which he or she has, directly or indirectly, sole or shared voting or investing power.

| Name and Address | Number of Shares Owned | Percent of Common Stock Outstanding (1) |
|--|---------------------------|---|
| NorthEast Community Bancorp, MHC(2) 325 Hamilton Avenue White Plains, New York 10601 | 7,273,750 | 55.6 % |
| Stilwell Value Partners IV, L.P., Stilwell Associates, L.P., Stilwell Partners, L.P., Stilwell Value LLC, and Joseph Stilwell 111 Broadway, 12th Floor New York, New York 10006 | 1,092,300(3) | 8.4 % |
| Jacobs Asset Management, LLC, JAM Managers, LLC, JAM Partners, L.P. and Sy Jacobs 11 East 26th Street, Suite 1900 New York, New York 10010 | 715,193 (4) | 5.5 % |

(1) Based on 13,071,402 shares of the Company's common stock outstanding and entitled to vote as of March 31, 2011.

(2) The members of the Board of Directors of NorthEast Community Bancorp and NorthEast Community Bank also constitute the Board of Directors of NorthEast Community Bancorp, MHC.

(3) Based on information contained in a Schedule 13D/A filed with the Securities and Exchange Commission on January 14, 2011, which indicates that Stilwell Value Partners IV, L.P., Stilwell Associates, L.P., Stilwell Partners, L.P., Stilwell Value LLC, and Joseph Stilwell have shared voting and dispositive power over 1,092,300 shares.

(4) Based on information contained in a Schedule 13D filed with the Securities and Exchange Commission on November 8, 2010, which indicates that Jacobs Asset Management, LLC and Sy Jacobs have shared voting and dispositive power over 715,193 shares and JAM Managers, LLC and JAM Partners, L.P. have shared voting and dispositive power over 664,299 shares. Each of the reporting persons disclaim beneficial ownership of the common stock of the Company.

The following table provides information as of March 31, 2011 about the shares of Company common stock that may be considered to be beneficially owned by each director, nominee for director, executive officers named in the Summary Compensation Table and by all directors, nominees for director and executive officers of the Company as a group. A person may be considered to beneficially own any shares of common stock over which he or she has, directly or indirectly, sole or shared voting or investment power. Unless otherwise indicated, none of the shares listed are pledged as security, and each of the named individuals has sole voting power and sole investment power with respect to the shares shown. All directors and executive officers as a group do not own over 1% of the Company's outstanding shares based on 13,071,402 shares of the Company's common stock outstanding and entitled to vote as of March 31, 2011.

| Name | Number of Shares Owned (1)(2) |
|------------------------|----------------------------------|
| Susan Barile (3) | 5,080 |
| Diane B. Cavanaugh | 500 |
| Arthur M. Levine | 2,076 (4) |
| Charles A. Martinek | 7,465 |
| Kenneth A. Martinek | 48,774 |
| John F. McKenzie | 5,000 |
| Salvatore Randazzo | 5,871 |
| Harry (Jeff) A.S. Read | 6,031 |
| Linda M. Swan | 730 |
| Kenneth H. Thomas | 10,000 (5) |

All Executive Officers, Directors and

Director Nominees, as a Group (10 persons)

91,527

1) Includes shares allocated to the account of individuals under the Bank's ESOP with respect to which individuals have voting but not investment power as follows: Susan Barile 3,817, Charles Martinek – 3,102 shares, Kenneth Martinek – 8,488 shares, and Salvatore Randazzo – 5,871 shares.

(2) Includes shares held in trust in the 401(k) Plan as to which each individual has investment and voting power as follows: Ms. Barile – 1,263, Mr. Charles Martinek – 2,808 shares, and Mr. Kenneth Martinek – 40,286 shares. These amounts reflect ownership units in the employer stock fund of the 401(k) Plan, which consists of both issuer stock and a reserve of cash. The actual number of shares held by the individual may vary when such units are actually converted into shares upon distribution of the units to the individual.

(3) Ms. Barile resigned as Executive Vice President and Chief Mortgage Officer of the Company and the Bank effective September 30, 2010.

(4) Includes 1,000 shares held by Mr. Levine's spouse as trustee.

(5) Includes 370 shares held by Mr. Thomas' spouse's IRA.

ITEMS TO BE VOTED ON BY STOCKHOLDERS

Item 1 — Election of Directors

The Board of Directors of NorthEast Community Bancorp is presently composed of nine members. The Board is divided into three classes, each with three-year staggered terms, with one-third of the directors elected each year. The nominees for election this year are Salvatore Randazzo, Harry (Jeff) A.S. Read and Linda M. Swan, all of whom are current directors of the Company and the Bank.

Unless you indicate on your proxy card that your shares should not be voted for certain directors, the Board of Directors intends that the proxies solicited by it will be voted for the election of all of the Board's nominees. If any nominee is unable to serve, the persons named in the proxy card will vote your shares to approve the election of any substitute proposed by the Board of Directors. Alternatively, the Board of Directors may adopt a resolution to reduce the size of the Board. At this time, the Board of Directors knows of no reason why any nominee might be unable to serve. The Board of Directors recommends a vote "FOR" the election of all nominees.

Information regarding the Board of Director's nominees and the directors continuing in office is provided below. Unless otherwise stated, each individual has held his or her current occupation for the last five years. The age indicated for each individual is as of December 31, 2010 and the indicated period of service as a director includes service as a director of the Bank. Based on their respective experiences, qualifications, attributes and skills set forth below, the Board of Directors determined that each current director and nominee should serve as a director.

Board Nominees for Terms Ending in 2011

Salvatore Randazzo has served as Executive Vice President and Chief Financial Officer of NorthEast Community Bancorp since its formation in 2006, and Chief Operating Officer since December 2009. He has served as Executive Vice President and Chief Financial Officer of NorthEast Community Bank since 2002, and Chief Operating Officer since December 2009. Mr. Randazzo joined the Bank as senior accountant in 1997. Age 43. Director since 2003.

Since becoming Chief Financial Officer of the Bank in 2002 and Chief Operating Officer in December 2009, Mr. Randazzo has successfully assisted the Bank in its mutual-to-stock conversion and navigated the various financial and accounting issues facing public companies in the banking sector including one of the most challenging economic periods in recent history. Mr. Randazzo's financial discipline, expertise and knowledge of all aspects of the business and its history, position him well to continue to serve as a Director, Chief Operating Officer and Chief Financial Officer.

Harry (Jeff) A.S. Read is a retired a registered investment adviser who previously worked with Geneos Wealth Management, Inc. from January 2006 until January 2011. From January 2004 to December 2005, Mr. Read served as a registered investment adviser with Financial Network Investment Corp., an ING company. Before serving with Financial Network Investment Corp., Mr. Read worked as a registered investment adviser with Allmerica Financial of Worcester, MA, for over twenty years. Mr. Read has served several terms in the Massachusetts House of Representatives. Age 74. Director since 2005.

Mr. Read brings a wealth of varied experience to the Board as a former lobbyist keying on important issues affecting business, trustee of a non-profit corporation and as a registered investment adviser. Not only does Mr. Read provide the Board with substantial knowledge regarding the financial sector and investments, but he also provides valuable regulatory and political insight.

Linda M. Swan is a retired Director of the Corporate Activities Division of the Office of Thrift Supervision. Age 61. Director since 1991.

Ms. Swan is a critical member of a well rounded Board of Directors. As a former Vice President for the Office of Thrift Supervision, Ms. Swan provides knowledge and expertise directly related to the various regulatory matters affecting the Company and the Bank.

Directors with Terms Ending in 2012

Diane B. Cavanaugh is an attorney with Lyons McGovern, LLP. Age 54. Director since 1992.

As an attorney specializing in commercial litigation, Ms. Cavanaugh has the ability to provide the Board with the legal knowledge necessary to assess issues facing the Board effectively.

Charles A. Martinek has served as Vice President and Internal Loan Review and Community Reinvestment Officer of NorthEast Community Bank since May, 2007. Prior to that time, Mr. Martinek served as a commercial loan officer with the Bank since 2001, and as an assistant vice president since 2002. Before serving with the Bank, Mr. Martinek was a quality control analyst with C. Cowles & Co. Mr. Martinek is also the owner of Martinek Investment Properties, LLC. Mr. Martinek's brother, Kenneth Martinek, also serves on the Board of Directors. Age 49. Director since 2002.

Mr. Martinek's commercial loan experience is crucial to the Board's ability comprehend and adequately advise the Company on the specific business issues facing the Company.

Kenneth H. Thomas has been an independent bank analyst and consultant since 1969 and has been President of K.H. Thomas Associates, LLC since 1975. Dr. Thomas holds a Ph.D. in Finance from the Wharton School and has written extensively on the Community Reinvestment Act of 1977. He has been a consultant to the Bank since 1978. Age 63. Director since 2001.

As an independent bank analyst for over 40 years, Dr. Thomas offers the Board essential industry experience. In addition, Dr. Thomas is a critical advisor to the Bank for operational, branching and Community Reinvestment Act matters.

Directors with Terms Ending in 2013

Arthur M. Levine is a certified public accountant and Member of the accounting firm A.L. Wellen LLC. Age 76. Director since 1995.

Mr. Levine's accounting and business experience for over 50 years provides the Board with valuable insight and expertise with regard to various financial and accounting matters affecting the Company.

Kenneth A. Martinek has served as Chairman of the Board, President and Chief Executive Officer of NorthEast Community Bancorp since its formation in 2006. He has served with NorthEast Community Bank since 1976 and has been the President and Chief Executive Officer of the Bank since 1991. Mr. Martinek was first elected as a director of the Bank in 1983 and was appointed Chairman of the Board in 2002. Mr. Martinek's brother, Charles A. Martinek, also serves on the Board of Directors. Age 58.

Since becoming President and Chief Executive Officer of the Bank in 1991, Mr. Martinek has successfully completed a mutual-to-stock conversion and navigated the issues facing a public company in the banking sector. Mr. Martinek's knowledge of all aspects of the business and its history, combined with his success and strategic vision, position him well to continue to serve as our Chairman, President and Chief Executive Officer.

John F. McKenzie is a retired insurance executive. Prior to his retirement in early 2008, Mr. McKenzie was the owner of an insurance agency in Orange, Connecticut, providing multiline personal and commercial insurance products. Age 67. Director since November 2006.

Mr. McKenzie provides the Board with significant management, strategic and operational knowledge through his previous experience as owner of an insurance agency.

Item 2 — Ratification of the Independent Registered Public Accounting Firm

The Company was notified that the audit practice of Beard Miller Company LLP (“Beard Miller”), its independent registered public accounting firm, was combined with ParenteBeard LLC on October 1, 2009. As of that same date, Beard Miller resigned as the auditors of the Company and, with the approval of the Audit Committee of the Company’s Board of Directors, ParenteBeard LLC was engaged as the Company’s independent registered public accounting firm. For the years ended December 31, 2010 and 2009, the Company’s consolidated financial statements were audited by ParenteBeard LLC.

The report of Beard Miller regarding the Company’s consolidated financial statements as and for the year ended December 31, 2008 did not contain any adverse opinion or disclaimer of opinion and was not qualified or modified as to uncertainty, audit scope or accounting principles.

During the years ended December 31, 2008 and 2007, and during the interim period from December 31, 2008 through October 1, 2009, the date of resignation, there were no disagreements with Beard Miller on any matter of accounting principles or practices, financial statement disclosure or auditing scope or procedures, which disagreements, if not resolved to the satisfaction of Beard Miller would have caused it to make reference to such disagreement in its reports.

During the Company’s years ended December 31, 2008 and 2007 and subsequent interim period preceding the engagement of ParenteBeard LLC, the Company did not consult with ParenteBeard LLC regarding: (1) the application of accounting principles to a specified transaction, either completed or proposed; (2) the type of audit opinion that might be rendered on the Company’s financial statements, and ParenteBeard LLC did not provide any written report or oral advice that ParenteBeard LLC concluded was an important factor considered by the Company in reaching a decision as to any such accounting, auditing or financial reporting issue; or (3) any matter that was either the subject of a disagreement with Beard Miller on any matter of accounting principles or practices, financial statement disclosure or auditing scope or procedure or the subject of a reportable event.

The Audit Committee of the Board of Directors has appointed ParenteBeard LLC to be the Company’s independent registered public accounting firm for the 2011 fiscal year, subject to ratification by stockholders. A representative of ParenteBeard LLC is expected to be present at the annual meeting to respond to appropriate questions from stockholders and will have the opportunity to make a statement should he or she desire to do so.

If the ratification of the appointment of ParenteBeard LLC is not approved by the stockholders at the annual meeting, the Audit Committee may consider other independent registered public accounting firms.

Auditor Fees

The following table sets forth the fees billed to the Company for the fiscal years ending December 31, 2010 and December 31, 2009 by ParenteBeard LLC.

| | 2010 | 2009 |
|--------------------|------------|------------|
| Audit Fees(1) | \$ 134,000 | \$ 139,438 |
| Audit-Related Fees | — | — |
| Tax Fees(2) | 21,000 | 24,000 |
| All other fees | — | — |

(1)

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Includes professional services rendered for the audit of the Company's annual financial statements and review of financial statements included in Forms 10-Q, including out-of-pocket expenses.

(2) Tax fees include the following: preparation of federal, state and city tax returns.

Policy on Pre-Approval of Audit and Permissible Non-Audit Services

The Audit Committee is responsible for appointing and setting the compensation and overseeing the work of the independent auditor. In accordance with its charter, the Audit Committee approves, in advance, all audit and permissible non-audit services to be performed by the independent auditor to ensure that the independent auditor does not provide any non-audit services to the Company that are prohibited by law or regulation.

In addition, the Audit Committee has established a policy regarding pre-approval of all audit and permissible non-audit services provided by the independent auditor. Requests for services by the independent auditor must be specific as to the particular services to be provided. The request may be made with respect to either specific services or a type of service for predictable or recurring services. During the year ended December 31, 2010, all services provided by the independent auditor were approved, in advance, by the Audit Committee in compliance with these procedures.

The Board of Directors recommends that stockholders vote "FOR" the ratification of the appointment of ParenteBeard LLC as the Company's independent registered public accounting firm.

EXECUTIVE COMPENSATION

Summary Compensation Table

The following table provides information concerning total compensation earned or paid to the Chief Executive Officer and the two other most highly compensated executive officers of the Company who served in such capacities at December 31, 2010. These three officers are referred to as the “named executive officers” in this proxy statement.

| Name and Principal Position | Year | Salary | Bonus | Nonequity Incentive Plan Compensation | All Other Compensation(1) | Total |
|---|------|------------|-------|--|------------------------------|------------|
| Kenneth A. Martinek President and Chief Executive Officer | 2010 | \$ 273,306 | \$ — | \$ — | \$ 29,451 | \$ 302,757 |
| | 2009 | \$ 273,837 | \$ — | \$ — | \$ 10,295 | \$ 284,132 |
| Salvatore Randazzo Executive Vice President, Chief Operating Officer and Chief Financial Officer | 2010 | \$ 176,847 | \$ — | \$ — | \$ 6,162 | \$ 183,009 |
| | 2009 | \$ 173,265 | \$ — | \$ — | \$ 7,306 | \$ 180,571 |
| Susan Barile(2) | 2010 | \$ 111,753 | \$ — | \$ — | \$ 40,000 | \$ 151,753 |
| | 2009 | \$ 150,637 | \$ — | \$ — | \$ 6,281 | \$ 156,918 |

(1) Amounts do not include perquisites which, in the aggregate, were less than \$10,000 for each named executive officer. For Mr. Martinek, amount in 2010 consists of reimbursement for taxes owed due to a required adjustment of Mr. Martinek’s supplemental executive retirement plan and allocations under the ESOP. For Mr. Randazzo, amount in 2010 consists solely of allocations under the ESOP. For Ms. Barile, amount in 2010 consists solely of the amount received upon resignation under the Northeast Community Bank Executive Incentive Deferral Plan.

(2) Ms. Barile resigned as Executive Vice President and Chief Mortgage Officer of the Company and the Bank, effective September 30, 2010.

Employment Agreements. The Company and the Bank each maintain employment agreements with Kenneth A. Martinek and Salvatore Randazzo. The employment agreements with the Company and the Bank for each executive, which have essentially identical terms, provide that the Company will make any payments not made by the Bank, but the executives will not receive any duplicative payments. Mr. Martinek and Mr. Randazzo are also referred to below as the “executives” or the “executive.”

The employment agreements with Mr. Martinek and Mr. Randazzo provide for three-year terms, subject to annual renewal by the Boards of Directors. The Board of Directors of the Bank and the Company approved the extension of the employment agreements with Mr. Martinek and Mr. Randazzo through March 25, 2014. The current base salaries under the employment agreements are \$275,750 for Mr. Martinek and \$185,100 for Mr. Randazzo. The agreements also provide for participation in employee benefit plans and programs maintained for the benefit of senior management personnel, including discretionary bonuses, participation in stock-based benefit plans, and fringe benefits, including an automobile allowance for each executive.

Under the terms of the agreements, the executives are subject to a one year non-compete if they terminate their employment for good reason (as defined in the agreement) or if they are terminated without cause (as defined in the agreement). This non-compete provision shall not apply if the executives are terminated within one year of a change

of control.

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Prior to September 30, 2010, Ms. Barile was subject to an employment agreement with similar terms. Ms. Barile continued to work with the Bank in a consultant capacity to assist in the transition of her prior responsibilities at the Bank until November 30, 2010.

See “Other Potential Post-Termination Benefits” for a discussion of the benefits and payments the executives may receive under their employment agreements upon retirement or termination of employment.

Supplemental Executive Retirement Plan. Under the Mr. Martinek’s and Mr. Randazzo’s supplemental executive retirement plan, upon termination of employment on or after the normal retirement age of 60 and 65, respectively, the executives each receive an annual retirement benefit equal to fifty percent (50%) of average base salary over the three-year period preceding termination of employment. Upon termination on or after age 60 or upon completing a minimum of 20 years of service Mr. Martinek may receive an early retirement benefit equal to the normal retirement benefit, reduced by .25% for each month by which Mr. Martinek’s age at termination is less than age 60. Upon termination on or after age 60 and upon completing a minimum of 20 years of service Mr. Randazzo may receive an early retirement benefit equal to the normal retirement benefit, reduced by .25% for each month by which Mr. Randazzo’s age at termination is less than age 65. The early or normal retirement benefit is payable in equal monthly installments for the greater of the executive’s lifetime or 15 years following retirement. See “Other Potential Post-Termination Benefits” for payments that the executives may receive under this plan upon termination of employment for reasons other than retirement.

Executive Incentive Deferral Plan. The Bank sponsors the Executive Incentive Deferral Plan to provide certain officers and employees with a deferred bonus opportunity based on the attainment of specific financial or individual performance criteria. The Board of Directors of the Bank establishes the applicable performance criteria and target deferral opportunity for each participant by March 31 of each calendar year. If the criteria are satisfied, the participant’s account is credited with an award as of the December 31 of the calendar year. If made, the award is subject to vesting at a rate determined by the Board. Each award is subject to a separate vesting period. However, all awards are fully vested in the event of a participant’s death or disability, upon the occurrence of a change in control (as defined for purposes of Section 409A of the Internal Revenue Code of 1986, as amended) or upon the participant’s retirement at or after age 65. If a participant terminates employment, the vested portion of their plan account is distributed, at the participant’s election, in a lump sum or in installment payments over a period of up to 10 years. Prior to distribution, a participant’s deferred bonus account is credited with interest at the Bank’s one-year certificate of deposit rate. The rate is adjusted annually on the first business day of the year.

Other Potential Post-Termination Benefits

Payments Made Upon Termination for Cause. Under the employment agreements, an executive who is terminated for cause will receive base salary through the date of termination and retain the rights to any vested benefits subject to the terms of the plan or agreement under which those benefits are provided.

Payments Made Upon Voluntarily Termination and Termination without Cause or for Good Reason. If the Bank and the Company terminate the executives for reasons other than cause, or if the executives terminate voluntarily under certain circumstances outlined in the agreements that constitute constructive termination, the executives, or their beneficiaries should they die prior to receipt of payment, each receive an amount equal to their base salary and employer contributions to benefit plans payable for the remaining term of the agreement. The Bank and the Company also agree to continue and/or pay for the executives’ life, health and dental coverage for the remaining term of the agreements.

Payments Made Upon Disability. If the executives become disabled, the Bank and the Company agree to provide them with monthly disability pay equal to 75% of their monthly base salaries for a period ending on the earliest to occur of (1) a return to full-time employment with the Bank and the Company; (2) death; (3) attainment of age 65; or (4) the expiration of the agreement. The disability payments under the agreement would be reduced, however, by the amount of any short- or long-term disability benefits that would become payable to the executives under the terms of any disability insurance programs sponsored by the Bank and the Company.

In the event of termination due to disability, the executives will receive the early retirement benefit or normal retirement benefit due under the supplemental executive retirement plan if they have reached age 65 (or 60 in the case of Mr. Martinek), respectively, prior to termination. If they have not attained early retirement age prior to termination due to disability, they will receive a benefit equal to their accrued benefit under the plan as of the date of termination.

Payments Made Upon Death. Upon the death of an executive, the executive's employment agreement terminates and the executive's beneficiary will receive base salary and accrued benefits through the last day of the month of death.

The supplemental executive retirement plan provides that upon the death of the executive while actively employed, they, or their beneficiary, would receive an actuarially equivalent lump sum benefit, calculated as if the executive had attained age 60 and age 65 for Mr. Martinek and Mr. Randazzo, respectively, prior to termination of employment.

Payments Made Upon a Change in Control. Under the employment agreements, if an executive is involuntarily or constructively terminated within one year of a change in control (as defined in the agreements), the executive will receive a severance payment equal to three times his or her average annual compensation over the five preceding years, as well as continued life, medical and dental benefits for three years following termination of employment.

The benefits provided to the executives under the employment agreements upon a change in control are limited to avoid adverse tax consequences to the Company and the Bank under Section 280G of the Internal Revenue Code of 1986. The "280G Limits" provide that total payments and benefits to the executives that are contingent upon a change in control shall not equal or exceed in the aggregate three times the individual's average annual taxable income over the five preceding years.

The supplemental executive retirement plan provides that upon termination in connection with a change in control Mr. Martinek and Mr. Randazzo, or their beneficiary, would receive an actuarially equivalent lump sum benefit, calculated as if they had attained age 60 and age 65, respectively, prior to termination of employment. All benefits received under this plan count towards the executives' 280G Limits.

Under the terms of our employee stock ownership plan, upon a change in control (as defined in the plan), the plan will terminate and the plan trustee will repay in full any outstanding acquisition loan. After repayment of the acquisition loan, all remaining shares of our stock held in the loan suspense account, all other stock or securities, and any cash proceeds from the sale or other disposition of any shares of our stock held in the loan suspense account will be allocated among the accounts of all participants in the plan who were employed by us on the date immediately preceding the effective date of the change in control. The allocations of shares or cash proceeds shall be credited to each eligible participant in proportion to the opening balances in their accounts as of the first day of the valuation period in which the change in control occurred. Payments under our employee stock ownership plan do not count towards the executives' 280G Limits.

OTHER INFORMATION RELATING TO
DIRECTORS AND EXECUTIVE OFFICERS

Section 16(a) Beneficial Ownership Reporting Compliance

Section 16(a) of the Securities Exchange Act of 1934 requires the Company's executive officers and directors, and persons who own more than 10% of any registered class of the Company's equity securities, to file reports of ownership and changes in ownership with the Securities and Exchange Commission. These individuals or entities are required by regulation to furnish the Company with copies of all Section 16(a) reports they file.

Based solely on its review of the copies of the reports it has received and written representations provided to the Company from the individuals required to file the reports, the Company believes that each of its executive officers and directors has complied with applicable reporting requirements for transactions in Company common stock during the fiscal year ended December 31, 2010.

Transactions with Related Persons

The Sarbanes-Oxley Act of 2002 generally prohibits loans by the Company to its executive officers and directors. However, the Sarbanes-Oxley Act contains a specific exemption from such prohibition for loans by the Bank to its executive officers and directors in compliance with federal banking regulations. Federal regulations require that all loans or extensions of credit to executive officers and directors of insured institutions must be made on substantially the same terms, including interest rates and collateral, as those prevailing at the time for comparable transactions with other persons and must not involve more than the normal risk of repayment or present other unfavorable features. The Bank is therefore prohibited from making any new loans or extensions of credit to executive officers and directors at different rates or terms than those offered to the general public, except for loans made pursuant to programs generally available to all employees. Notwithstanding this rule, federal regulations permit the Bank to make loans to executive officers and directors at reduced interest rates if the loan is made under a benefit program generally available to all other employees and does not give preference to any executive officer or director over any other employee, although the Bank does not currently have such a program in place.

SUBMISSION OF BUSINESS PROPOSALS AND
STOCKHOLDER NOMINATIONS

The Company must receive proposals that stockholders seek to include in the proxy statement for the Company's next annual meeting no later than December 17, 2011. If next year's annual meeting is held on a date more than 30 calendar days from May 25, 2012, a stockholder proposal must be received by a reasonable time before the Company begins to print and mail its proxy solicitation for such annual meeting. Any stockholder proposals will be subject to the requirements of the proxy rules adopted by the Securities and Exchange Commission.

The Company's bylaws provide that, in order for a stockholder to make nominations for the election of directors or proposals for business to be brought before the annual meeting, a stockholder must deliver notice of such nominations and/or proposals to the Secretary not less than 30 days before the date of the annual meeting. However, if less than 40 days' notice or prior public disclosure of the date of the annual meeting is given to stockholders, such notice of stockholder nominations or proposals must be received not later than the close of business of the tenth day following the day on which notice of the date of the annual meeting was mailed to stockholders or prior public disclosure of the meeting date was made. A copy of the bylaws may be obtained from the Company.

STOCKHOLDER COMMUNICATIONS

The Company encourages stockholder communications to the Board of Directors and/or individual directors. All communications from stockholders should be addressed to NorthEast Community Bancorp, Inc., 325 Hamilton Avenue, White Plains, New York 10601. Communications to the Board of Directors should be in the care of Anne Stevenson-DeBlasi, Corporate Secretary. Communications to individual directors should be sent to such director at the Company's address. Stockholders who wish to communicate with a Committee of the Board should send their communications to the care of the Chairperson of the particular committee, with a copy to Linda M. Swan, the Chair of the Nominating/Corporate Governance Committee. It is in the discretion of the Nominating/Corporate Governance Committee whether any communication sent to the full Board should be brought before the full Board.

NOTICE OF INTERNET AVAILABILITY OF PROXY MATERIALS

Important Notice Regarding the Availability of Proxy Materials for the Stockholders Meeting to be held on May 25, 2011.

The Proxy Statement and Annual Report to Stockholders are available at <http://www.necommunitybank.com/proxy.asp>

MISCELLANEOUS

The Company will pay the cost of this proxy solicitation. The Company will reimburse brokerage firms and other custodians, nominees and fiduciaries for reasonable expenses incurred by them in sending proxy materials to the beneficial owners of the Company. Additionally, directors, officers and other employees of the Company may solicit proxies personally or by telephone. None of these persons will receive additional compensation for these activities.

The Company's Annual Report to Stockholders has been included with this proxy statement. The Annual Report is not to be treated as part of the proxy solicitation material or as having been incorporated by reference into this proxy statement.

If you and others who share your address own your shares in "street name," your broker or other holder of record may be sending only one annual report and proxy statement to your address. This practice, known as "householding," is designed to reduce our printing and postage costs. However, if a stockholder residing at such an address wishes to receive a separate annual report or proxy statement in the future, he or she should contact the broker or other holder of record. If you own your shares in "street name" and are receiving multiple copies of our annual report and proxy statement, you can request householding by contacting your broker or other holder of record.

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

BY ORDER OF THE BOARD OF DIRECTORS

/s/ Anne Stevenson-DeBlasi

Anne Stevenson-DeBlasi
Corporate Secretary

White Plains, New York
April 15, 2011

PLEASE MARK
 VOTES
 AS IN THIS
 EXAMPLE

REVOCABLE PROXY
 NORTHEAST COMMUNITY BANCORP, INC.

| ANNUAL MEETING OF STOCKHOLDERS | For | With- hold | For All Except |
|---------------------------------------|---|---------------|-------------------|
| May 25, 2011 1:00 p.m., Local Time | 1. The election as directors of all nominees listed (unless the "For All Except" box is marked and the instructions below are complied with). | .. | .. |

THIS PROXY IS SOLICITED ON BEHALF
 OF THE BOARD OF DIRECTORS

The undersigned hereby appoints the official proxy committee of Northeast Community Bancorp, Inc. (the "Company"), consisting of Diane B. Cavanaugh, Arthur M. Levine, Kenneth A. Martinek, Charles A. Martinek, John F. McKenzie and Kenneth H. Thomas, or any of them, with full power of substitution in each, to act as proxy for the undersigned, and to vote all shares of common stock of the Company which the undersigned is entitled to vote only at the Annual Meeting of Stockholders to be held on May 25, 2011 at 1:00 p.m., local time, at the Renaissance Westchester Hotel, 80 West Red Oak Lane, White Plains, New York and at any and all adjournments thereof, with all of the powers the undersigned would possess if personally present at such meeting as follows:

Salvatore Randazzo, Harry (Jeff) A.S. Read and Linda M. Swan

INSTRUCTION: To withhold authority to vote for any individual – nominee, mark "For All Except" and write that nominee's name in the space provided below.

| | For | Against | Abstain |
|--|-----|---------|---------|
| 2. The ratification of the appointment of ParenteBeard LLC as independent registered public accounting firm of Northeast Community Bancorp, Inc. for the fiscal year ending December 31, 2011. | .. | .. | .. |

THE BOARD OF DIRECTORS RECOMMENDS A VOTE "FOR" ALL NOMINEES AND THE PROPOSAL LISTED.

This proxy is revocable and will be voted as directed, but if no instructions are specified, this proxy, properly signed and dated, will be voted "FOR" all nominees and the proposal listed. If any other business is presented at the Annual Meeting, including whether or not to adjourn the meeting, this proxy will be voted by the proxies in their judgment. At the present time, the Board of Directors knows of no other business to be presented at the Annual Meeting. This proxy also confers discretionary authority on the proxy committee of the Board of Directors to vote (1) with respect to the election of any person as director, where the nominees are unable to serve or for good cause will not serve and (2) matters incident to the conduct of the meeting.

Please be sure to date and sign this proxy card in the box below. Date

Sign above

above

Co-holder (if any) sign

Ç Detach above card, sign, date and mail in postage paid envelope provided. Ç

NORTHEAST COMMUNITY BANCORP, INC.

Please sign exactly as your name appears on this card. When signing as attorney, executor, administrator, trustee or guardian, please give your full title. If shares are held jointly, each holder may sign but only one signature is required.

PLEASE COMPLETE, DATE, SIGN AND PROMPTLY MAIL THIS PROXY
IN THE ENCLOSED POSTAGE-PAID ENVELOPE.

IF YOUR ADDRESS HAS CHANGED, PLEASE CORRECT THE ADDRESS IN THE SPACE PROVIDED
BELOW AND RETURN THIS PORTION WITH THE PROXY IN THE ENVELOPE PROVIDED.

Important Notice Regarding the Availability of Proxy Materials for the Annual Meeting:
The Proxy Statement and Annual Report to Stockholders are available at
<http://www.necommunitybank.com/proxy.asp>

Dear ESOP Participant:

On behalf of the Board of Directors of Northeast Community Bancorp, Inc. (the "Company"), I am forwarding you the attached blue voting instruction card provided for the purpose of conveying your voting instructions to GreatBanc Trust Company (the "Trustee") on the proposals to be presented at the Annual Meeting of Stockholders of the Company to be held on May 25, 2011. Also enclosed is a Notice of 2011 Annual Meeting, Proxy Statement and 2010 Annual Report.

As a participant in the Northeast Community Bank Employee Stock Ownership Plan, as amended and restated (the "ESOP"), you are entitled to vote all shares of Company common stock allocated to your account as of March 31, 2011, the record date for the Annual Meeting. All allocated shares of Company common stock will be voted as directed by participants, so long as participant instructions are received by the Trustee on or before May 18, 2011. If you do not direct the Trustee as to how to vote the shares of Company common stock allocated to your ESOP account, or your voting instructions are not received by May 18, 2011, the Trustee will vote your shares in a manner calculated to most accurately reflect the voting instructions it receives from other ESOP participants, subject to its fiduciary duties.

Please complete, sign and return the enclosed blue voting instruction card in the postage paid envelope provided by Registrar and Transfer Company no later than May 18, 2011. Registrar and Transfer will tabulate participant voting instructions and forward them to the Trustee who will vote all of the shares held in the ESOP Trust. Your vote will not be revealed, directly or indirectly, to any employee or director of the Company or Northeast Community Bank.

As an employee of Northeast Community Bank you may participate in more than one stock-based benefit plan. Please submit your voting instructions for all of the plans.

Sincerely,

/s/ Kenneth A. Martinek

Kenneth A. Martinek
Chairman, President and
Chief Executive Officer

PLEASE MARK
 VOTES
 AS IN THIS
 EXAMPLE

VOTING INSTRUCTION CARD
 NORTHEAST COMMUNITY BANCORP, INC.

ANNUAL MEETING OF
 STOCKHOLDERS
 MAY 25, 2011
 1:00 P.M., LOCAL TIME

The undersigned hereby directs the Trustee to vote all shares of common stock of Northeast Community Bancorp, Inc. (the "Company") credited to the undersigned's ESOP account, for which the undersigned is entitled to vote at the Annual Meeting of Stockholders to be held on May 25, 2011 at 1:00 p.m., local time, at the Renaissance Westchester Hotel, 80 West Red Oak Lane, White Plains, New York and at any and all adjournments thereof, as follows:

| | For | With- hold | For All Except |
|---|-----|---------------|-------------------|
| 1. The election as directors of all nominees listed (unless the "For All Except" box is marked and the instructions below are complied with). | .. | .. | .. |

Salvatore Randazzo, Harry (Jeff) A.S. Read and Linda M. Swan

INSTRUCTION: To withhold authority to vote for any individual – nominee, mark "For All Except" and write that nominee's name in the space provided below.

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 P

| | For | Against | Abstain |
|--|-----|---------|---------|
| 2. The ratification of the appointment of ParenteBeard LLC as independent registered public accounting firm of Northeast Community Bancorp, Inc. for the fiscal year ending December 31, 2011. | .. | .. | .. |

THE BOARD OF DIRECTORS RECOMMENDS A VOTE "FOR" ALL NOMINEES AND THE PROPOSAL LISTED.

Please be sure to date and sign this voting instruction card in the box below.

Date

Sign above

Ç Detach above card, sign, date and mail in postage paid envelope provided. Ç

NORTHEAST COMMUNITY BANCORP, INC.

PLEASE COMPLETE, DATE, SIGN AND PROMPTLY MAIL THIS VOTING INSTRUCTION CARD IN
THE ENCLOSED POSTAGE-PAID ENVELOPE.

IF YOUR ADDRESS HAS CHANGED, PLEASE CORRECT THE ADDRESS IN THE SPACE PROVIDED
BELOW AND RETURN THIS PORTION WITH THE PROXY IN THE ENVELOPE PROVIDED.

Dear 401(k) Plan Participant:

On behalf of the Board of Directors of Northeast Community Bancorp, Inc. (the “Company”), I am forwarding you the attached green voting instruction card provided for the purpose of conveying your voting instructions to Fidelity Management Trust Company (the “Trustee”) of the Northeast Community Bank 401(k) Plan (the “401(k) Plan”) on the proposals to be presented at the Annual Meeting of Stockholders of the Company to be held on May 25, 2011. Also enclosed is a Notice of 2011 Annual Meeting, Proxy Statement and 2010 Annual Report.

As a holder of the Company’s common stock (“Common Stock”) through the 401(k) Plan, you are entitled to direct the Trustee how to vote the shares of Common Stock credited to your account as of March 31, 2011, the record date for the Annual Meeting. If the Trustee does not receive your voting instructions by May 18, 2011, your shares will not be voted at the Annual Meeting.

Please complete, sign and return the enclosed green voting instruction card in the postage paid envelope provided by Registrar and Transfer Company no later than May 18, 2011. Registrar and Transfer will tabulate participant voting instructions and forward them to the Trustee who will vote the shares held in the 401(k) Plan Trust as directed by participants. Your vote will not be revealed, directly or indirectly, to any employee or director of the Company or Northeast Community Bank.

As an employee of Northeast Community Bank you may participate in more than one stock-based benefit plan. Please submit your voting instructions for all of the plans.

Sincerely,

/s/ Kenneth A. Martinek

Kenneth A. Martinek
Chairman, President and
Chief Executive Officer

PLEASE MARK
VOTES
AS IN THIS
EXAMPLE

VOTING INSTRUCTION CARD
NORTHEAST COMMUNITY BANCORP, INC.

4 For With- hold For All Except

ANNUAL MEETING OF
STOCKHOLDERS
MAY 25, 2011
1:00 P.M., LOCAL TIME

1. The election as directors of all nominees listed (unless the "For All Except" box is marked and the instructions below are complied with).

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Salvatore Randazzo, Harry (Jeff) A.S. Read and Linda M. Swan

The undersigned hereby directs the Trustee(s) to vote all shares of common stock of Northeast Community Bancorp, Inc. (the "Company") credited to the undersigned's 401(k) Plan account, for which the undersigned is entitled to vote at the Annual Meeting of Stockholders to be held on May 25, 2011 at 1:00 p.m., local time, at the Renaissance Westchester Hotel, 80 West Red Oak Lane, White Plains, New York and at any and all adjournments thereof, as follows:

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INSTRUCTION: To withhold authority to vote for any individual – nominee, mark "For All Except" and write that nominee's name in the space provided below.

For Against Abstain

2. The ratification of the appointment of ParenteBeard LLC as independent registered public accounting firm of Northeast Community Bancorp, Inc. for the fiscal year ending December 31, 2011.

THE BOARD OF DIRECTORS RECOMMENDS A VOTE "FOR" ALL NOMINEES AND THE PROPOSAL LISTED.

Please be sure to date and sign this voting instruction card in the box below.

Date

Sign above

Ç Detach above card, sign, date and mail in postage paid envelope provided. Ç

NORTHEAST COMMUNITY BANCORP, INC.

PLEASE COMPLETE, DATE, SIGN AND PROMPTLY MAIL THIS VOTING INSTRUCTION CARD IN THE ENCLOSED POSTAGE-PAID ENVELOPE.

IF YOUR ADDRESS HAS CHANGED, PLEASE CORRECT THE ADDRESS IN THE SPACE PROVIDED BELOW AND RETURN THIS PORTION WITH THE PROXY IN THE ENVELOPE PROVIDED.
