PIMCO CALIFORNIA MUNICIPAL INCOME FUND III
Form N-CSR
December 02, 2010

OMB APPROVAL

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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
FORM N-CSR
CERTIFIED SHAREHOLDER REPORT OF REGISTERED
MANAGEMENT INVESTMENT COMPANIES
Investment Company Act file number 811-21188
PIMCO California Municipal Income Fund III
(Exact name of registrant as specified in charter)

1345 Avenue of the Americas, New York, NY	**10105**
(Address of principal executive offices)	(Zip code)

Lawrence G. Altadonna 1345 Avenue of the Americas, New York, New York 10105
(Name and address of agent for service)
Registrant s telephone number, including area code: **212-739-3371**
Date of fiscal year end: **September 30, 2010**
Date of reporting period: **September 30, 2010**
Form N-CSR is to be used by management investment companies to file reports with the Commission not later than 10 days after the transmission to stockholders of any report that is required to be transmitted to stockholders under Rule 30e-1 under the Investment Company Act of 1940 (17 CFR 270.30e-1). The Commission may use the information provided on Form N-CSR in its regulatory, disclosure review, inspection, and policymaking roles.
A registrant is required to disclose the information specified by Form N-CSR, and the Commission will make this information public. A registrant is not required to respond to the collection of information contained in Form N-CSR unless the Form displays a currently valid Office of Management and Budget (OMB) control number. Please direct comments concerning the accuracy of the information collection burden estimate and any suggestions for reducing the burden to Secretary, Securities and Exchange Commission, 100 F Street, NE, Washington DC 20549-2001. The OMB has reviewed this collection of information under the clearance requirements of 44 U.S.C. § 3507.

ITEM 1. REPORT TO SHAREHOLDERS

September 30, 2010

PIMCO Municipal Income Fund III
PIMCO California Municipal Income Fund III
PIMCO New York Municipal Income Fund III

PMX **PZC** **PYN**

Contents

Dear Shareholder:

Municipal bond prices advanced during the fiscal year ended September 30, 2010 (the period), driven by the U.S. government s stimulus plan, evidence of a stabilizing economy, and increasing investor demand for tax-exempt securities. As evidence mounted that the economy was improving during the first half of the period, municipals generally outperformed U.S. government securities. This trend abated during the second half of the period, as gross domestic product (GDP) growth slowed and investors grew skittish about fiscal problems facing many state and local governments. Some shifted out of municipal bonds (and out of corporate bonds and stocks as well) and into the perceived safe haven of U.S. Treasury bonds.

The Year in Review
For the fiscal year ended September 30, 2010:

PIMCO Municipal Income Fund III returned 10.33% on net asset value (NAV) and 9.90 % on market price.

PIMCO California Municipal Income Fund III rose 9.34% on NAV and 11.94% on market price.

PIMCO New York Municipal Income Fund III advanced 10.57% on NAV and 8.98% on market price.

In this environment, the Barclays Capital Municipal Bond Index returned 5.81% for the period, while the Barclays Capital U.S. Treasury Bond Index returned 0.14%. The broad, taxable bond market, as represented by the Barclays Capital U.S. Aggregate Index, gained 8.16% for the twelve months ended September 30, 2010.

As the economy weakened during the latter half of the period, the Federal Reserve (the Fed) indicated that it would resume purchasing U.S. Treasury bonds a reversal of its position earlier in the year. The goal behind this strategy, known as Quantitative Easing, was to boost economic activity by pushing already low interest rates even lower.
Hans W. Kertess
Chairman

Brian S. Shlissel
President & CEO

The Road Ahead and the Case for Municipals

With regard to worries about possible defaults at the state and local level, some perspective may be useful. Of all municipal bonds rated by Moody s Investors Service since 1970, only 0.09%, have defaulted. States are not allowed by law to file for bankruptcy and 49 have laws requiring balanced budgets, inclusive of servicing their debt. At the local government level, while Chapter 9 bankruptcy filings are permitted in 26 states, this has occurred only twice in the past 40 years. In both cases, the entities continued to pay interest on their debt while their cases were worked out. That long-term perspective notwithstanding, municipal bonds may come under some short-term pressure. One reason: the potential end, on December 31, 2010, of the federal government s Build American Bonds (BAB) program. Because these bonds are subsidized, they have lowered borrowing costs for states and local governments. But as the end of the program nears, a rush to sell BABs has flooded the municipal bond market. This oversupply has exceeded demand causing prices to tumble.

The Fed s quantitative easing strategy may impact municipal bonds as well. This is because the Fed s purchase of Treasury securities would exclude bonds with longer maturities. This could lead to lower prices for longer-term municipal bond prices, which correlate closely with Treasuries.

But again, we think these issues are short-term in nature. From a longer vantage point, the expectation of higher taxes at all levels of government and historically low default rates will continue to make municipal securities compelling investments for many people.

For specific information on the Funds and their performance, please review the following pages. If you have any questions regarding the information provided, we encourage you to contact your financial advisor or call the Funds shareholder servicing agent at (800) 254-5197. In addition, a wide range of information and resources is available on our website, www.allianzinvestors.com/closedendfunds.

Together with Allianz Global Investors Fund Management LLC, the Funds investment manager, and Pacific Investment Management Company LLC (PIMCO), the Funds sub-adviser, we thank you for investing with us. We remain dedicated to serving your investment needs.

Sincerely,

Hans W. Kertess	Brian S. Shlissel
Chairman	President & Chief Executive Officer

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PIMCO Municipal Income Funds III Fund Insights
September 30, 2010 (unaudited)

For the fiscal year ended September 30, 2010 PIMCO Municipal Income Fund III increased 10.33% on net asset value (NAV) and 9.90% on market price. PIMCO California Municipal Income Fund III advanced 9.34% on NAV and 11.94% on market price. PIMCO New York Municipal Income Fund III rose 10.57% on NAV and 8.98% on market price.

The high-quality segment of the municipal bond market produced positive returns for the reporting period, as yields moved lower across the curve. On longer maturities, municipal bonds underperformed the stronger taxable bond market, with the Barclays Capital Long Municipal Bond Index returning 6.56% while the Barclays Capital Long Government/Credit Index returned 13.61%, and the Barclays Capital Long U.S. Treasury Index returned 12.74%. The Barclay s Capital Zero Coupon Municipal Bond Index returned 7.25% for the reporting period. Municipal to Treasury yield ratios (a measure of the relative attractiveness of municipal and Treasury bonds) ended higher as Treasuries outperformed municipals. The 10-year ratio increased to 95% and the 30-year ratio decreased to 100%.

The Funds holdings of tobacco securitization-backed debt suffered from the sector s volatility during the period. Water and sewer exposure also hampered returns.

Municipal III

Amid generally declining yields, the municipal yield curve steepened slightly during the reporting period, following the lead of the Treasury market. During the period, 30-year maturity AAA General Obligation (GO) yields decreased 11 basis points while 2-year yields fell 17 basis points.

Holdings in the health care sector added to the Fund s returns, as this sector significantly outperformed other sectors of the municipal bond market. The Fund also benefited from its interest rate positioning during the reporting period. Exposure to longer maturity zero coupon and nominal municipals allowed the Fund to participate in the widespread decline in yields at the longer end of the municipal market. The Fund also gained from its positions in corporate-backed municipals, which marginally outperformed the general municipal market during the period.

California Municipal III

California municipal bonds outperformed the national index, with the Barclays Capital California Municipal Bond Index returning 6.04% versus 5.81% for the Barclays Capital Municipal Bond Index during the period. In spite of this outperformance, continued volatility is expected as the state continues to struggle through its budget approval process. Long California municipal bonds underperformed their peers in the national index, returning 6.02% versus the Barclays Capital Long Municipal Bond Index gain of 6.56% cited above. The California municipal curve steepened even more significantly than the national markets during the reporting period, with 30-year yields increasing by 1 basis point while 2-year yields declining 42 basis points.

Holdings in the health care sector contributed to the Fund s returns, as the sector significantly outperformed the rest of the municipal bond market. The Fund also benefited from its interest rate positioning. Exposure to longer maturity traditional and zero coupon municipals enabled the Fund to participate in the widespread decline in yields at the longer end of the municipal market. The Fund also gained from its positions in corporate-backed municipals, which marginally outperformed the general municipal market. Significant exposure to longer-maturity California municipals was neutral for performance as that portion of the curve performed in-line with the general market.

Other positions were less beneficial for returns. An underweighting in California State general obligation (GO) bonds was negative for performance as these securities outperformed during the reporting period.

New York Municipal III

Amid generally declining yields, the New York municipal yield curve steepened, following the lead of the national municipal and Treasury markets. During the period, 30-year maturity yields decreased 10 basis points while 2-year yields fell 33 basis points. New York municipals, as measured by the Barclays Capital New York Municipal Bond Index, returned 5.75% for the period, slightly trailing the national market s 5.81% gain, as measured by the Barclays Capital Municipal Bond Index. The long-maturity segment of the New York market also outperformed the long segment of the national municipal bond market, returning 6.62% versus the Barclays Capital Long Municipal Bond Index gain of 6.56% cited above.

Holdings in the health care sector contributed to the Fund s returns, as the sector significantly outperformed the rest of the municipal bond market. The Fund also gained from its positions in transportation municipals, which outperformed the general municipal market. Exposure to corporate-backed municipals contributed marginally to returns. The Fund also benefited from its interest rate positioning. Exposure to longer maturity traditional and zero coupon municipals in New York allowed the Fund to participate in the decline in yields at the longer end of the New York municipal market.

PIMCO Municipal Income Fund III Performance & Statistics
September 30, 2010 (unaudited)

Total Return[1]:	**Market Price**	**NAV**
1 Year	9.90%	10.33%
5 Year	1.01%	0.13%
Commencement of Operations (10/31/02) to 9/30/10	3.56%	2.87%

Market Price/NAV Performance:
Commencement of Operations (10/31/02)
to 9/30/10

Market Price/NAV:	
Market Price	$11.45
NAV	$10.29
Premium to NAV	11.27%
Market Price Yield[2]	7.34%

Moody s Rating
(as a % of total investments)

PIMCO California Municipal Income Fund III Performance & Statistics
September 30, 2010 (unaudited) (continued)

Total Return[1]**:**	**Market Price**	**NAV**
1 Year	11.94%	9.34%
5 Year	(0.70)%	(1.65)%
Commencement of Operations (10/31/02) to 9/30/10	2.08%	1.76%

Market Price/NAV Performance:
Commencement of Operations (10/31/02)
to 9/30/10

Market Price/NAV:

Market Price	$10.39
NAV	$9.65
Premium to NAV	7.67%
Market Price Yield[2]	6.93%

Moody s Rating
(as a % of total investments)

PIMCO New York Municipal Income Fund III Performance & Statistics
September 30, 2010 (unaudited) (continued)

Total Return(1):	**Market Price**	**NAV**
1 Year	8.98%	10.57%
5 Year	(3.64)%	(3.34)%
Commencement of Operations (10/31/02) to 9/30/10	0.87%	0.80%

Market Price/NAV Performance:
Commencement of Operations (10/31/02)
to 9/30/10

Market Price/NAV:

Market Price	$9.81
NAV	$9.38
Premium to NAV	4.58%
Market Price Yield(2)	6.42%

Moody s Rating
(as a % of total investments)

(1) Past performance is no guarantee of future results. Total return is calculated by determining the percentage change in NAV or market price (as applicable) in the specified period. The calculation assumes that all income dividends and capital gain distributions, if any, have been reinvested. Total return does not reflect broker commissions or sales charges. Total return for a period of more than one year represents the average annual total return.

Performance at market price will differ from its results at NAV. Although market price returns typically reflect investment results over time, during shorter periods returns at market price can also be influenced by factors such as changing views about the Funds, market conditions, supply and demand for each Fund s shares, or changes in each dividends.

An investment in each Fund involves risk, including the loss of principal. Total return, market price, market yield and NAV asset will fluctuate with changes in market conditions. This data is provided for information purposes only and is not intended for trading purposes. Closed-end funds, unlike open-end funds, are not continuously offered. There is a onetime public offering and once issued, shares of closed-end funds are traded in the open market through a stock exchange. NAV is equal to total assets attributable to common shareholders less total liabilities divided by the number of common shares outstanding. Holdings are subject to change daily.

(2) Market Price Yield is determined by dividing the annualized current monthly per share dividend (comprised of net investment income) payable to common shareholders by the market price per common share at September 30, 2010.

PIMCO Municipal Income Fund III Schedule of Investments
September 30, 2010

Principal Amount (000s)		Credit Rating (Moody s/S&P)*	Value
MUNICIPAL BONDS & NOTES 97.7%			
	Alabama 1.2%		
$ 5,000	Birmingham Baptist Medical Centers Special Care Facs. Financing Auth. Rev., Baptist Health Systems, Inc., 5.00%, 11/15/30, Ser. A	Baa2/NR	$ 4,545,000
500	Birmingham Special Care Facs. Financing Auth. Rev., Childrens Hospital, 6.00%, 6/1/39 (AGC)	Aa3/AAA	552,490
1,500	Colbert Cnty. Northwest Health Care Auth. Rev., 5.75%, 6/1/27	Baa3/NR	1,506,240
			6,603,730
	Alaska 1.2%		
	Housing Finance Corp. Rev.,		
3,900	5.00%, 12/1/33, Ser. A	Aaa/AAA	3,934,905
1,000	5.25%, 6/1/32, Ser. C (NPFGC)	Aa2/AA	1,013,340
3,100	Northern Tobacco Securitization Corp. Rev., 5.00%, 6/1/46, Ser. A	Baa3/NR	2,099,692
			7,047,937
	Arizona 5.3%		
	Health Facs. Auth. Rev.,		
	Banner Health,		
1,250	5.00%, 1/1/35, Ser. A	NR/A+	1,268,100
900	5.50%, 1/1/38, Ser. D	NR/A+	945,927
2,250	Beatitudes Campus Project, 5.20%, 10/1/37	NR/NR	1,828,935
1,500	Maricopa Cnty. Pollution Control Corp. Rev., Palo Verde Project, 5.05%, 5/1/29, Ser. A (AMBAC)	Baa2/BBB−	1,501,110
	Pima Cnty. Industrial Dev. Auth. Rev.,		
13,000	5.00%, 9/1/39 (g)	Aa1/AA	13,257,270
750	Tuscon Electric Power Co., 5.25%, 10/1/40, Ser. A (c)	Baa3/BBB−	756,960
5,000	Salt River Project Agricultural Improvement & Power Dist. Rev., 5.00%, 1/1/39, Ser. A (g)	Aa1/AA	5,391,400
5,600	Salt Verde Financial Corp. Rev., 5.00%, 12/1/37	A3/A	5,351,472
			30,301,174

	California 6.2%		
2,500	Health Facs. Financing Auth. Rev., Catholic Healthcare West, 6.00%, 7/1/39, Ser. A	A2/A	2,704,450
1,250	Palomar Pomerado Health, CP, 6.75%, 11/1/39	Baa2/NR	1,381,988
	State, GO,		
250	5.00%, 11/1/37	A1/A−	252,212
5,300	5.00%, 12/1/37	A1/A−	5,347,223
6,000	6.00%, 4/1/38	A1/A−	6,669,420
	Statewide Communities Dev. Auth. Rev.,		
1,000	American Baptist Homes West, 6.25%, 10/1/39	NR/BBB−	1,023,440
2,800	California Baptist Univ., 9.00%, 11/1/17, Ser. B (a)(b)	NR/NR	2,515,324

PIMCO Municipal Income Fund III Schedule of Investments
September 30, 2010 (continued)

Principal Amount (000s)		Credit Rating (Moody s/S&P)*	Value
	California (continued)		
	Methodist Hospital Project (FHA),		
$ 2,900	6.625%, 8/1/29	Aa2/NR	3,392,797
10,300	6.75%, 2/1/38	Aa2/NR	11,987,655
			35,274,509
	Colorado 2.3%		
9,955	Colorado Springs Utilities Rev., 5.00%, 11/15/30, Ser. B (g)	Aa2/AA	10,301,135
500	Confluence Metropolitan Dist. Rev., 5.45%, 12/1/34	NR/NR	362,740
500	Health Facs. Auth. Rev., Evangelical Lutheran,		
	6.125%, 6/1/38, Ser. A	A3/A−	512,835
1,500	Housing & Finance Auth. Rev., Evergreen Country Day School, Inc.		
	Project, 5.875%, 6/1/37 (a)(b)	NR/BB	810,000
500	Public Auth. for Colorado Energy Rev., 6.50%, 11/15/38	A2/A	588,795
500	Regional Transportation Dist. Rev., Denver Transportation Partners,		
	6.00%, 1/15/34	Baa3/NR	533,470
			13,108,975
	Connecticut 0.2%		
1,250	Harbor Point Infrastructure Improvement Dist., Tax Allocation,		
	7.875%, 4/1/39, Ser. A	NR/NR	1,345,900
	Delaware 0.3%		
1,500	State Economic Dev. Auth. Rev., Delmarva Power & Light Co.,		
	5.40%, 2/1/31	Baa2/BBB+	1,579,335
	District of Columbia 1.9%		
10,000	Water & Sewer Auth. Rev., 5.50%, 10/1/39, Ser. A (g)	Aa2/AA	10,966,900
	Florida 4.9%		
3,480	Brevard Cnty. Health Facs. Auth. Rev., Health First, Inc. Project,		
	5.00%, 4/1/34	A3/A−	3,443,913
500	Broward Cnty. Airport Rev., 5.375%, 10/1/29, Ser. O	A1/A+	541,660
4,500	Broward Cnty. Water & Sewer Rev., 5.25%, 10/1/34, Ser. A (g)	Aa2/AA	4,871,790

2,500	Hillsborough Cnty. Industrial Dev. Auth. Rev., Tampa General Hospital Project, 5.25%, 10/1/34, Ser. B	A3/NR	2,517,075
1,000	Miami-Dade Cnty. Airport Rev., 5.50%, 10/1/36, Ser. A	A2/A−	1,056,600
3,895	Sarasota Cnty. Health Facs. Auth. Rev., 5.75%, 7/1/45	NR/NR	3,293,495
4,200	State Board of Education, GO, 5.00%, 6/1/38, Ser. D (g)	Aa1/AAA	4,501,350
6,900	State Board of Governors Rev., Florida Univ., 6.50%, 7/1/33	Aa2/AA	8,058,510
			28,284,393
	Georgia 0.3%		
1,750	Fulton Cnty. Residential Care Facs. for the Elderly Auth. Rev., Lenbrook Project, 5.125%, 7/1/42, Ser. A	NR/NR	1,167,285

PIMCO Municipal Income Fund III Schedule of Investments
September 30, 2010 (continued)

Principal Amount (000s)		Credit Rating (Moody s/S&P)*	Value
	Georgia (continued)		
$ 400	Medical Center Hospital Auth. Rev., Spring Harbor Green Island Project, 5.25%, 7/1/37	NR/NR	336,056
			1,503,341
	Hawaii 0.3%		
1,500	Hawaii Pacific Health Rev., 5.50%, 7/1/40, Ser. A	A3/BBB+	1,503,225
	Idaho 1.2%		
	State Building Auth. Rev., Ser. A (XLCA),		
1,000	5.00%, 9/1/33	WR/AA−	1,026,610
5,750	5.00%, 9/1/43	WR/AA−	5,871,152
			6,897,762
	Illinois 8.9%		
500	Chicago Board of Education School Reform, GO, zero coupon, 12/1/28, Ser. A (FGIC-NPFGC)	Aa2/AA−	205,425
	Chicago, GO,		
720	5.00%, 1/1/31, Ser. A (NPFGC)	Aa3/AA−	729,763
5,000	5.00%, 1/1/34, Ser. C (g)	Aa3/AA−	5,198,100
7,000	Chicago Motor Fuel Tax Rev., 5.00%, 1/1/33, Ser. A (AMBAC)	Aa3/AA+	7,126,700
	Finance Auth. Rev.,		
1,175	Elmhurst Memorial Healthcare, 5.50%, 1/1/22	Baa1/NR	1,188,689
	Leafs Hockey Club Project, Ser. A (d),		
1,000	5.875%, 3/1/27	NR/NR	254,690
625	6.00%, 3/1/37	NR/NR	157,956
400	OSF Healthcare System, 7.125%, 11/15/37, Ser. A	A3/A	457,652
12,795	Peoples Gas Light & Coke Co., 5.00%, 2/1/33 (AMBAC)	A1/A−	12,902,862
1,000	Swedish Covenant Hospital, 6.00%, 8/15/38, Ser. A	NR/BBB+	1,030,960
	Univ. of Chicago,		
4,780	5.00%, 7/1/33, Ser. A	Aa1/AA	4,961,640
165	5.25%, 7/1/41, Ser. A	Aa1/AA	168,297
10,000	5.50%, 7/1/37, Ser. B (g)	Aa1/AA	11,337,800
5,000	State Toll Highway Auth. Rev., 5.50%, 1/1/33, Ser. B	Aa3/AA−	5,503,300
			51,223,834

	Indiana 0.8%		
500	Dev. Finance Auth. Rev., 5.00%, 3/1/30, Ser. B (AMBAC)	A2/NR	500,115
2,000	Finance Auth. Rev., United States Steel Corp., 6.00%, 12/1/26	Ba2/BB	2,137,160
	Portage, Tax Allocation, Ameriplex Project,		
1,000	5.00%, 7/15/23	NR/A	970,520
775	5.00%, 1/15/27	NR/A	730,430
			4,338,225

PIMCO Municipal Income Fund III Schedule of Investments
September 30, 2010 (continued)

Principal Amount (000s)		Credit Rating (Moody s/S&P)*	Value
	Iowa 1.7%		
	Finance Auth. Rev., Deerfield Retirement Community, Inc., Ser. A,		
$ 120	5.50%, 11/15/27	NR/NR	90,107
575	5.50%, 11/15/37	NR/NR	395,312
11,010	Tobacco Settlement Auth. Rev., 5.60%, 6/1/34, Ser. B	Baa3/BBB	9,408,155
			9,893,574
	Kentucky 1.2%		
	Economic Dev. Finance Auth. Rev.,		
	Baptist Healthcare Systems, Ser. A,		
1,000	5.375%, 8/15/24	Aa3/NR	1,115,120
1,300	5.625%, 8/15/27	Aa3/NR	1,445,990
1,000	Catholic Healthcare Partners, 5.25%, 10/1/30	A1/AA−	1,012,210
2,000	Owensboro Medical Healthcare Systems, 6.375%, 6/1/40, Ser. A	Baa2/NR	2,155,980
1,250	Ohio Cnty. Pollution Control Rev., Big Rivers Electric Corp., 6.00%, 7/15/31, Ser. A	Baa1/BBB−	1,301,838
			7,031,138
	Louisiana 1.0%		
	Local Gov t Environmental Facs. & Community Dev. Auth. Rev.,		
	Woman s Hospital Foundation, Ser. A,		
1,500	5.875%, 10/1/40	A3/BBB+	1,557,960
1,000	6.00%, 10/1/44	A3/BBB+	1,040,370
1,700	Public Facs. Auth. Rev., Ochsner Clinic Foundation Project, 5.50%, 5/15/47, Ser. B	Baa1/NR	1,700,816
1,595	Tobacco Settlement Financing Corp. Rev., 5.875%, 5/15/39, Ser. 2001-B	Baa3/BBB	1,608,143
			5,907,289
	Maryland 0.5%		
1,000	Economic Dev. Corp. Rev., 5.75%, 6/1/35, Ser. B	Baa3/NR	1,042,030
1,500	Health & Higher Educational Facs. Auth. Rev., Calvert Health System, 5.50%, 7/1/36	A3/NR	1,546,815
			2,588,845

	Massachusetts 1.3%		
	Dev. Finance Agcy. Rev.,		
300	Adventcare Project, 7.625%, 10/15/37	NR/NR	303,651
750	Linden Ponds, Inc. Fac., 5.75%, 11/15/35, Ser. A	NR/NR	548,782
4,910	Housing Finance Agcy. Rev., 5.125%, 6/1/43, Ser. H	Aa3/AA−	4,954,976
1,600	State College Building Auth. Rev., 5.50%, 5/1/39, Ser. A	Aa2/AA−	1,789,920
			7,597,329

PIMCO Municipal Income Fund III Schedule of Investments
September 30, 2010 (continued)

Principal Amount (000s)		Credit Rating (Moody s/S&P)*	Value
	Michigan 14.8%		
$ 500	Conner Creek Academy East Rev., 5.25%, 11/1/36	NR/BB+	385,010
1,500	Detroit, GO, 5.25%, 11/1/35	Aa3/AA−	1,538,880
9,320	Detroit Sewer Rev., 5.00%, 7/1/32, Ser. A (AGM)	Aa3/AAA	9,411,895
	Detroit Water Rev. (NPFGC),		
30,000	5.00%, 7/1/34, Ser. A	A2/A+	30,234,300
7,555	5.00%, 7/1/34, Ser. B	A1/A	7,543,970
1,500	Royal Oak Hospital Finance Auth. Rev., William Beaumont Hospital,		
	8.25%, 9/1/39	A1/A	1,821,585
	State Hospital Finance Auth. Rev.,		
175	Detroit Medical Center, 5.25%, 8/15/23, Ser. A	Ba3/BB−	162,302
	Oakwood Group, Ser. A,		
5,405	5.75%, 4/1/32	A2/A	5,458,456
575	6.00%, 4/1/22	A2/A	591,140
20,000	Trinity Health Credit, 5.375%, 12/1/30, Ser. C	Aa2/AA	20,284,600
10,000	Tobacco Settlement Finance Auth. Rev., 6.00%, 6/1/48, Ser. A	NR/BBB	7,704,600
			85,136,738
	Mississippi 0.7%		
	Business Finance Corp. Rev., System Energy Res., Inc. Project,		
3,000	5.875%, 4/1/22	Ba1/BBB	3,008,250
1,250	5.90%, 5/1/22	Ba1/BBB	1,254,400
			4,262,650
	Missouri 0.1%		
250	Jennings Rev., Northland Redev. Area Project, 5.00%, 11/1/23	NR/NR	230,327
500	Manchester, Tax Allocation, Highway141/Manchester Road Project,		
	6.875%, 11/1/39	NR/NR	512,320
			742,647
	Nevada 0.7%		
4,000	Clark Cnty., GO, 4.75%, 6/1/30 (AGM)	Aaa/AAA	4,111,560
	New Hampshire 0.4%		
2,000		Baa1/BBB+	2,084,820

	Business Finance Auth. Rev., Elliot Hospital, 6.125%, 10/1/39, Ser. A		
	New Jersey 4.6%		
1,000	Camden Cnty. Improvement Auth. Rev., Cooper Health Systems Group, 5.00%, 2/15/35, Ser. A	Baa3/BBB	924,440
300	Economic Dev. Auth. Rev., Newark Airport Marriott Hotel, 7.00%, 10/1/14	Ba1/NR	300,696
4,500	Economic Dev. Auth., Special Assessment, Kapkowski Road Landfill Project, 6.50%, 4/1/28	Ba2/NR	5,127,345
1,070	Health Care Facs. Financing Auth. Rev., Pascack Valley Hospital Assoc., 6.625%, 7/1/36 (d)	NR/NR	16,045

PIMCO Municipal Income Fund III Schedule of Investments
September 30, 2010 (continued)

Principal Amount (000s)		Credit Rating (Moody s/S&P)*	Value
	New Jersey (continued)		
$ 1,000	St. Peters Univ. Hospital, 5.75%, 7/1/37	Baa2/BBB−	1,017,380
1,150	Trinitas Hospital, 5.25%, 7/1/30, Ser. A	Baa3/BBB−	1,079,976
2,000	State Turnpike Auth. Rev., 5.25%, 1/1/40, Ser. E	A3/A+	2,159,300
22,645	Tobacco Settlement Financing Corp. Rev., 5.00%, 6/1/41, Ser. 1-A	Baa3/BBB	15,682,795
			26,307,977
	New Mexico 0.2%		
1,000	Farmington Pollution Control Rev., 5.90%, 6/1/40, Ser. D	Baa3/BB+	1,040,210
	New York 4.3%		
1,700	Liberty Dev. Corp. Rev., Goldman Sachs Headquarters, 5.50%, 10/1/37	A1/A	1,870,765
1,150	Nassau Cnty. Industrial Dev. Agcy. Rev., Amsterdam at Harborside, 6.70%, 1/1/43, Ser. A	NR/NR	1,164,950
10,450	New York City Industrial Dev. Agcy. Rev., Yankee Stadium, 7.00%, 3/1/49 (AGC)	Aa3/AAA	12,301,113
	New York City Municipal Water Finance Auth. Water & Sewer Rev. (g),		
4,900	5.00%, 6/15/37, Ser. D	Aa1/AAA	5,219,774
4,000	Second Generation Resolutions, 4.75%, 6/15/35, Ser. DD	Aa2/AA+	4,145,920
			24,702,522
	North Carolina 0.7%		
1,700	Capital Facs. Finance Agcy. Rev., Duke Energy,		

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Mark A. Turner

C

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C

Number of meetings in 2014

29

6

5

5

7

8

4

C= Chair

(1) Mr. Brake was a newly-elected director in 2014 and had not yet been appointed to committees.

(2) The Trust Committee is a committee of the Bank.

Executive Committee

The Executive Committee meets as frequently as is necessary and exercises the powers of the Board of Directors between its meetings. Its primary activities have been to review loan applications needing the approval of the Board of Directors, to review summary credit quality reports, and to review and approve for submission to the Board of Directors for its approval the majority of all policies.

Another important role of the Executive Committee is to review and approve transactions with insiders. Under our written policy, the Executive Committee reviews and approves all insider loans or lending relationships. Any loan

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granted to an insider in excess of $500,000 requires pre-approval by the Board of Directors, with the interested party (if a director) abstaining from participating directly or indirectly in the voting. All loans granted to insiders, regardless of the amount, are reported to the Board of Directors.

Corporate Governance and Nominating Committee

Each member of the Corporate Governance and Nominating Committee is independent as defined in the listing standards of the Nasdaq Stock Market. A copy of the Corporate Governance and Nominating Committee Charter as well as our other corporate governance documents can be found on the investor relations page of our website www.wsfsbank.com (select Investor Relations on the menu found under About WSFS and click on Corporate Governance).

The Corporate Governance and Nominating Committee s role and responsibilities include the following:

- Periodically review and reassess the adequacy of corporate governance of the Company, review and consider best governance practices, to incorporate into its Principles of Corporate Governance, and recommend any proposed changes to the Board;
- Seek, identify and interview individuals qualified to become board members for recommendation to the Board;
- Recommend competencies, skills and experiences desired for new directors and define the job description and expectations for directors, subject to Board approval;
- Authority to retain and terminate any search firm to be used to identify director candidates. The Committee also has authority to obtain advice and assistance from internal or external legal, accounting or other advisors;
- Oversee the proper training and orientation of new directors and continuing education of all directors, as appropriate;
- Recommend to the Board a slate of director nominees to be presented at the next annual meeting of stockholders;
- Recommend to the board, director nominees to fill vacancies on the Board;
- Oversee the election of committee chairs;
- In conjunction with committee chairs, recommend to the Board director assignments to Board committees;
- Review any proposed changes to Board-related compensation and, upon Committee approval, propose any potential changes to the Board of Directors for its review and approval;
- Annually review its own performance and annually propose a methodology for assessing the performance of other committees and the entire Board. Such assessments shall be discussed with the full Board annually.
- Make regular reports to the Board; and
- Review and reassess the adequacy of the Committee Charter and recommend any proposed changes to the Board for approval.

Audit Committee

Each member of the Audit Committee is independent as defined in the listing standards of the Nasdaq Stock Market and also meets the independence criteria set forth in Rule 10A-3 under the Securities Exchange Act of 1934, as amended. Jennifer W. Davis meets the definition of financial expert for the Audit Committee. For bank regulatory purposes, Anat Bird is also considered a banking and financial expert. A copy of the Audit Committee Charter can be found on the investor relations page of our website www.wsfsbank.com (select Investor Relations on the menu found under About WSFS and click on Corporate Governance).

The Audit Committee does the following:

- Oversees the audit program and reviews our consolidated financial statements, including major issues regarding accounting and auditing principles and practices as well as the adequacy of internal controls that could significantly affect our financial statements;

- Reviews the examination reports from federal regulatory agencies as well as reports from the internal auditors and from the independent registered public accounting firm;

- Meets quarterly with the head of the Internal Loan Review Department to review assessments of loan risk ratings and credit administration, as well as the head of the Internal Audit Department and representatives of the

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independent registered public accounting firm, with and without representatives of management present, to review accounting and auditing matters, and to review financial statements prior to their public release;

- Provides oversight to our regulatory compliance activities and our compliance officer who reports directly to the Executive in charge of risk;

- Reviews reports of significant litigation matters;

- Reviews the annual risk assessment and other reports (such as Suspicious Activity Reports, Associate Hotline Reports) issued regarding our risk management activities;

- Meets annually to review our internal control risk analysis and associated internal audit plan; and

- Approves the selection of the independent registered public accounting firm and recommends their appointment to the full Board of Directors.

The members of our Audit Committee also serve as members of the **Trust Audit Committee** which provides oversight of the financial accounting and internal control aspects of our Trust and Wealth management initiatives. The Trust Audit Committee met four times during 2014.

It is the policy of the Audit Committee to approve all audit and non-audit services prior to the engagement of the independent registered public accounting firm to perform any service, subject to the following operating procedures: Each year in connection with the execution of the audit engagement letter, the Audit Committee pre-approves a retainer for additional services that are either audit or audit-related in nature. These additional services do not exceed 5% of the annual audit fee amount. For any additional audit or audit-related services to be provided by the independent registered public accounting firm that were not pre-approved in accordance with this procedure, and for which the fees are expected to not exceed 10% of the annual audit fee, the Chair of the Audit Committee can provide pre-approval of the services. For any additional services where the fees are expected to exceed 10% of the annual audit fee, the pre-approval of the entire Audit Committee is required. In addition, a retainer for tax consulting services is pre-approved by the Audit Committee. Any tax consulting services exceeding the retainer amount are approved in accordance with the above procedure. All fees paid to the independent registered public accounting firm are reported to the Audit Committee in a timely manner.

In connection with the audit of the 2014 financial statements, we entered into engagement letters with KPMG LLP that set the terms by which KPMG performed services for us. Those agreements are subject to alternative dispute resolution procedures.

All of the services listed below for 2014 were approved by the Audit Committee prior to the service being rendered as described in the operating procedures above. The Audit Committee has determined that the non-audit services performed during 2014 were compatible with maintaining the independent registered public accounting firm s independence.

Audit Fees. The aggregate fees earned by KPMG LLP for professional services rendered for the audit of our consolidated financial statements included in our annual report on Form 10-K and for the review of the consolidated financial statements included in our quarterly reports on Form 10-Q for the fiscal years ended December 31, 2014 and 2013 were $997,000 and $987,900 respectively.

Audit Related Fees. The aggregate fees earned by KPMG LLP for audits of the subsidiaries financial statements, due diligence activities on proposed transactions, and research and consultation on financial accounting and reporting matters for the years ended December 31, 2014 and 2013 were $25,000 and $55,000, respectively.

Tax Fees. The aggregate fees earned by KPMG LLP for professional services rendered for tax compliance, tax advice and tax planning for the years ended December 31, 2014 and 2013 were $56,475 and $58,277, respectively.

All Other Fees. There were no fees earned by KPMG LLP for professional services rendered other than those listed under the captions Audit Fees, Audit Related Fees, and Tax Fees for the years ended December 31, 2014 and 2013.

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Audit Committee Report

The Audit Committee has prepared the following report for inclusion in this proxy statement:

As part of its ongoing activities, the Audit Committee has:

- Reviewed and discussed with management the Company s audited consolidated financial statements for the fiscal year ended December 31, 2014;

- Discussed with the Company s independent registered public accounting firm the matters required to be discussed under relevant guidance of the Public Company Accounting Oversight Board (PCAOB), including Auditing Standard No.16 Communications with Audit Committees; and

- Received the written disclosures and the letter from the independent registered public accounting firm required by the applicable requirements of the PCAOB regarding the independent registered public accounting firm s communications with the Audit Committee concerning independence, and has discussed with the independent registered public accounting firm their independence.

Based on the review and discussions referred to above, the Audit Committee recommended to the Board of Directors that the audited consolidated financial statements be included in our Annual Report on Form 10-K for the fiscal year ended December 31, 2014.

The Audit Committee comprised of Anat Bird, Jennifer W. Davis, David G. Turner and Calvert A. Morgan, Jr., has provided this report.

Personnel and Compensation Committee

A copy of the Personnel and Compensation Committee Charter can be found on the investor relations page of our website www.wsfsbank.com (select Investor Relations on the menu found under About WSFS and click on Corporate Governance).

Our Board of Directors has determined that the members of our Personnel and Compensation Committee are independent as defined by the listing standards of the Nasdaq Stock Market.

Under its charter, the Personnel and Compensation Committee has the authority to:

- Approve performance evaluations, salary adjustments, bonuses, stock options, perquisites for any officer other than the CEO and President. In evaluating and determining CEO compensation, the Committee shall consider the results of the most recent stockholder advisory vote on executive compensation (Say on Pay Vote) required by Section 14A of the Exchange Act. The CEO and President may not be present during voting or deliberations by the Committee on his or her compensation:

- Approve incentive plan design, including criteria, formula computation and calculation of award amounts, such as cash payouts, restricted stock and stock option awards for all officers other than the CEO and President. In reviewing making recommendations regarding or approving incentive compensation plans and equity-based plans, including whether to adopt, amend or terminate any such plans, the Committee shall consider the results of the most recent advisory Say on Pay Vote;

- Review and discuss with management, the Company s Compensation and Discussion and Analysis (CD&A) section and the related executive compensation information to be included in the Company s annual proxy statement or annual report on Form 10-K. Determine whether or not to recommend that the CD&A be included in the Company s annual report on Form 10-K and proxy statement, and produce the Committee report on executive officer compensation which is required to be included in the Company s annual proxy statement in compliance with rules and regulations promulgated by the SEC;

- Approve the adoption, administration and expense of certain Associate benefit plans and programs of the Company including 401(k) amendments and technical corrections;

- Retain or obtain advice of compensation consultants, independent legal counsel or other advisors (collectively, compensation advisors) to assist in matters regarding executive and Board-related compensation; and

- Be responsible for the appointment, compensation and oversight of any compensation advisor retained by the Committee. Reasonable compensation (as determined by the Committee) to its compensation advisors will be provided by the Company.

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The Personnel and Compensation Committee approves and must recommend to the Board of Directors for final approval:

- Policies and charter, including but not limited to Equal Employment Opportunity and Affirmative Action, Severance and Change of Control, the Management Compensation Policy, the Business (Luxury) Expenditures Policy, the Personnel and Compensation Charter;
- Board of Directors and management stock ownership and guidelines;
- Compensation Discussion and Analysis (CD&A), compensation risk assessment and Compensation Committee report portions of the proxy statement;
- Any compensation action for the CEO and President (such as salary increases, bonuses, stock grants and perquisites); and
- Any compensation action (such as fees and stock awards) for the Chairman of the Board of Directors.

In addition, the Personnel and Compensation Committee reviews and considers the results of stockholders advisory votes on executive compensation.

Compensation Committee Internal Interlocks and Insider Participation

No member of our Personnel and Compensation Committee is, or formerly was, an officer or Associate of ours. During 2014, none of our executive officers served on the Personnel and Compensation Committee (or equivalent), or the Board of Directors, of another entity whose executive officer or officers served on our Personnel and Compensation Committee or Board of Directors.

Trust Committee

The Trust Committee a bank committee that is comprised of members of the Board of Directors of our bank. It provides oversight of our trust and investment activities provided by Christiana Trust, the trust division of the Bank. A copy of the Trust Committee Charter can be found on the investor relations page of our website www.wsfsbank.com (select Investor Relations on the menu found under About WSFS and click on Corporate Governance).

The Trust Committee does the following:

- Oversees Christiana Trust in providing trust administration and investment management services;
- Adopts appropriate policies and procedures to be observed in offering such services;
- Enforces sound risk management practices calculated to minimize risk of loss to the Bank and its customers; and
- Reports to the Board of Directors on the activities of Christiana Trust in the conduct of its business.

Corporate Development Committee

The Corporate Development Committee assists the Board of Directors and management in reviewing and assessing potential acquisitions, strategic investments, joint ventures and divestitures. It meets as frequently as necessary. A copy of the Corporate Development Committee Charter can be found on the investor relations page of our website www.wsfsbank.com (select Investor Relations on the menu found under About WSFS and click on Corporate Governance).

As part of its ongoing activities, the Corporate Development Committee does the following:

- Reviews and provides guidance to management and the Board of Directors with respect to transaction strategies;

- Provides advice to management in connection with the identification and evaluation of transactions, and the engagement of counsel and advisors;

- Authorizes management to execute binding and non-binding offers, proposals, letters of intent, definitive agreements and similar offers and documents with respect to proposed transactions. Any such authorization shall be reported to the entire Board of Directors of the Company at no later than the next full Board meeting;

- Provides advice regarding management s due diligence and integration efforts with respect to proposed transactions and review summary due diligence results;

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- Causes to be conducted, appropriate periodic evaluations of our recently completed transactions, if and as deemed necessary;

- Provides a report of its meetings and activities to the Board on a regular basis, and reports regularly to the Board on such issues as it may determine are appropriate; and

- Reviews, and changes as deemed necessary, its charter, from time-to-time, but no less than once a year;

Other Corporate Governance Matters

Exclusive Forum Selection Provision

In 2014, the Board of Directors approved a new exclusive forum selection provision. This provision provides that the Court of Chancery or federal court located within the State of Delaware will be the sole and exclusive forum for (i) any derivative action or proceeding brought on behalf of the Company, (ii) any action asserting a claim of breach of a fiduciary duty owed by any director, officer or other employee of the Company to the Company or the Company s stockholders, (iii) any action asserting a claim arising pursuant to any provision of the Delaware General Corporation Law, or (iv) any action asserting a claim governed by the internal affairs doctrine. The Board of Directors took this action in light of the proliferation of litigation in states outside of Delaware to save the Company and its stockholders from the increased expense of defending against duplicative litigation brought in multiple and distant courts, and from the risk of unexpected or inconsistent outcomes, and also to provide for claims involving Delaware law to be decided by Delaware courts.

Delaware is the forum with the strongest nexus to the Company. The Company is a Delaware corporation and has always maintained its headquarters and principal place of business in Delaware. Our primary subsidiary, Wilmington Savings Fund Society, FSB, is the largest independent bank based in Delaware and has been an integral part of the lives of Delawareans since its founding in 1832. A predominance of our management, the majority of our employees, as well as virtually all corporate records relevant to matters to which this Bylaw is applicable, are located in Wilmington, Delaware. This also means that the Company, its subsidiaries and employees pay significant taxes to Delaware and local municipal authorities. Very few public companies, including companies that have adopted similar exclusive forum provisions, have connections to Delaware that are as strong as the Company s connections.

We pursued discussions with five of our largest institutional investors concerning the exclusive forum selection provision. All were either supportive or neutral on the issue with respect to the Company.

Classified Board Structure

Several years ago, our Board reviewed the subject of a classified Board as the result of request from a stockholder. Following considerable discussion by our Governance Committee and full Board concerning the concept of a declassified Board and related shareholder rights issues, the Board determined it is in the best interests of our stockholders to maintain a classified Board.

With the appropriate policies in place, we believe that a staggered board creates alignment between our Corporate Governance policies and the stated philosophy of managing for the long term benefit of all stockholders.

While we believe that the overarching evaluation of a board and management should be the performance of the Company, we also recognize that our classified board structure can create the appearance of entrenchment on the part of a board and management team. As a result, in the early 1990 s, we eliminated our poison pill policy. In addition, in 2007, we adopted the policy that in an uncontested election, directors who receive votes in favor of their election which is less than a majority of total votes cast should promptly offer to resign from the board. Another indication of our serious interest regarding this subject is that none of our named executive officers is covered by a formal employment agreement. We have a severance policy that covers some of those executives, but it is relatively conservative in the amounts that potentially would be paid in the event of a change of control. Finally, we do have cumulative voting of shares in the election of directors. In our case, this means that approximately 25% of the ownership can definitely have their voice(s) heard directly at the board table after a director election.

The success of our long term outlook is manifest in that we have generally outperformed our peers over the last 15 years. We make this claim based upon the total shareholder return performance discussed in the Compensation Discussion and Analysis section of this proxy statement indicating we have outperformed peer metrics and broader

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indices in three, five and ten year horizons. We are proud of our performance record and believe this record reflects the attention that management and the Board bring to the subject of creating value for its stockholders.

Finally, if there is a need for a stockholder initiated change to the Board of Directors, there is an opportunity to change approximately one-third of the Board of Directors at each election. If those new directors for some reason cannot make the case clear to the old board, then at the next election, stockholders can change another third of the Board of Directors. That would give a majority of the Board of Directors to new representation. We think this kind of change, in much less than a two-year period, appropriately balances stockholders interests in the ability to send a clear signal of a need for change with the need to understand the continuity of the Company.

Access to and Communication with the Board of Directors

The Board of Directors endeavors to provide ample access and outreach to stockholders through a number of forums. Stockholders are provided regular updates through press releases and other filings with the Securities and Exchange Commission. The Board of Directors also solicits dialogue and responds to questions from stockholders at the annual meeting. Questions can be asked in person or submitted through email at StockHolderRelations@wsfsbank.com. The Chairman of the Board and Vice Chairman and Lead Director provide their perspective on selected topics of interest to our stockholders through their View from the Boardroom letter in our annual report. Additionally, the Chairman of the Board periodically attends investor conferences and other roadshows to solicit feedback on corporate governance from institutional stockholders.

PROPOSAL NUMBER 2: Amendment of the Amended and Restated Certificate of Incorporation to increase the number of authorized shares of the Company s common stock from 20,000,000 to 65,000,000;

Background

Our Amended and Restated Certificate of Incorporation currently authorizes 7,500,000 shares of preferred stock and 20,000,000 shares of common stock. At the Annual Meeting, we request that stockholders approve and adopt a proposal to amend our Amended and Restated Certificate of Incorporation to increase by 45,000,000 the number of shares of our common stock that we are authorized to issue from 20,000,000 to 65,000,000 shares. We are not proposing to make any changes to our authorized shares of preferred stock.

The Board of Directors of WSFS has determined that the proposed amendment is advisable and unanimously adopted a resolution to amend Article Fourth of our Amended and Restated Certificate of Incorporation to provide for an increase in the number of authorized shares of our common stock from 20,000,000 shares to 65,000,000 shares and has directed that the resolution be submitted to a vote of the stockholders.

If the amendment to the Certificate of Incorporation to increase the number of authorized shares of common stock is approved holders of a majority of our outstanding shares of common stock, the amendment will be effected by filing a Certificate of Amendment with the Delaware Secretary of State amending and restating Article Fourth Section A of our Amended and Restated Certificate of Incorporation to read as follows:

A. The total number of shares of all classes of stock which the Corporation shall have authority to issue is seventy two million five hundred thousand (72,500,000), consisting of:

(a) seven million five hundred thousand (7,500,000) shares of Preferred Stock, par value one cent ($.01) per share (the Preferred Stock); and

(b) sixty five million (65,000,000) shares of Common Stock, par value one cent ($.01) per share (the Common Stock).

If stockholders approve and adopt the amendment, it will become effective upon the filing of the above-described Certificate of Amendment with the Delaware Secretary of State, which we intend to file shortly after the Annual Meeting.

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Reasons for the Proposed Amendment

Our Amended and Restated Certificate of Incorporation authorizes up to 20,000,000 shares of Common Stock and approximately 9,411,308 shares are presently issued and outstanding. An additional 992,464 shares of Common Stock may become outstanding by virtue of existing or future equity awards under our incentive plan or otherwise pursuant to outstanding equity-based awards and shares remaining to be granted under our plans. Also approximately an additional 816,200 shares are expected to be issued in conjunction with our proposed acquisition of Alliance Bancorp, Inc. of Pennsylvania (Alliance).

The Board of Directors authorized the amendment to our Amended and Restated Certificate of Incorporation to increase the number of authorized shares of our common stock, primarily because of the Board of Directors authorized and declared a three-for-one stock split in the form of a dividend payable in shares of our common stock, subject to stockholder approval of this proposal. The record date for the stock dividend is _____ and the distribution date is ______. The Board of Directors has considered studies, including those published by Keefe Bruyette & Woods, The Ambassador Financial Group and Columbia Management Investment Advisers, LLC concluding that stock splits improve stockholder liquidity and market valuation. The Board of Directors believes that a stock split also will increase attractiveness of the shares to retail stockholders. Finally, the Board considered the cost of effecting a stock split and believes the cost to be insignificant in light of the benefits to be obtained.

In addition to increasing the authorized shares to enable a three-for-one stock split, the proposed amendment of our Amended and Restated Certificate of Incorporation will provide us with greater flexibility to issue our common stock for other corporate purposes. After giving effect to the anticipated three-for-one stock split in the form of a dividend, the remaining increase in the number of authorized shares represents less than a 100% increase over the existing number of outstanding shares of our common stock (including shares that may be issued pursuant to the pending Alliance acquisition and shares that may become outstanding related to our equity plans). The Board of Directors believes it is in our best interest and those of our stockholders to increase the number of authorized shares of common stock to provide us with flexibility to consider and plan for future general corporate needs, including, but not limited to, capital raising, financing transactions, possible merger and acquisition transactions, or other general corporate purposes. The additional authorized shares of our common stock would enable us to pursue strategic, financial or capital opportunities as they may be presented and to take timely advantage of market conditions as they may arise, without the delay and expense associated with calling and convening a special meeting of stockholders to increase authorized capital, unless such a meeting was otherwise required by Delaware law or NASDAQ rules.

The Board of Directors and management believe that these opportunities can develop quickly, which would require the Company to be in a position to take advantage of them in a timely manner. However, except for the contemplated three-for-one stock split and the Alliance acquisition, described above, we have no present understanding, commitment or agreement to issue the additional shares of common stock resulting from the proposed increase in authorized shares.

Impact of Common Stock Split and Increased Authorization

	Current	**After 3 for 1 Split**
Current Authorized Shares	20,000,000	20,000,000
Proposed Increase in Authorized Shares	45,000,000	45,000,000
Proposed New Authorization	65,000,000	65,000,000
Shares Outstanding as of March 2, 2015	9,411,308	28,233,924

Shares Reserved for Issuance under Equity Plans		992,464		2,977,392
Shares Reserved for Alliance Acquisition		816,200		2,448,600
Total Shares Outstanding and Reserved/Committed		11,219,972		33,659,916
Shares Available for Issuance Pre-Increase		8,780,028		(13,659,916)
Shares Available for Issuance Post-Increase		53,780,028		31,340,084
Shares Available as a Percent of Authorization(1)		43.9%		48.2%

1 Reflects pre-increase ratio to Current Authorized Shares in Current column, post-increase ratio to Proposed New Authorization in After 3 for 1 Split column.

Effect of the Proposed Amendment

If the proposed amendment is approved and adopted by our stockholders, there would be sufficient authorized shares to effect the previously-approved three-for-one stock split in the form of a dividend of shares of common stock, and, after giving effect to such planned stock split, approximately 31 million shares of our common stock would then be authorized and available for future issuance. The additional authorized shares would be available for issuance from time to time by the Board of Directors for any proper general corporate purpose, including those described above.

The additional shares of our common stock for which we are seeking stockholder approval would be part of the existing class of our common stock and, if and when issued, would have the same rights and privileges as, and be identical in all respects (including voting, dividend, distribution and liquidation rights) to, shares of our common stock currently outstanding. The proposed additional authorized shares of Common Stock will not affect any of the rights of currently outstanding shares.

The ability of the Board of Directors to issue additional shares of our common stock may, under certain circumstances, be deemed to have an anti-takeover effect. We could use the additional authorized shares of our common stock to make it more difficult or to discourage efforts to obtain control of us. However, the amendment to our Amended and Restated Certificate of Incorporation is not being proposed to prevent a change in control nor is the amendment in response to any attempt, or contemplated attempt, to acquire control of us or to gain representation on our Board of Directors. As is true for our shares presently authorized but not issued, future issuances of the additional shares of our common stock contemplated by the proposed amendment also could have a dilutive effect on earnings per share, book value per share, voting power and percentage ownership interest of current stockholders.

The Board of Directors intends to use the additional shares of our common stock only for purposes of the pending acquisition of Alliance and effecting the three-for-one stock split in the form of a dividend, each as described above, and otherwise on terms that it deems to be in the best interests of us and our stockholders.

Potential Impact if the Amendment is Not Adopted

If the proposed amendment to our Amended and Restated Certificate of Incorporation is not approved and adopted by our stockholders and we are unable to increase our number of authorized shares of our common stock, we will not have the ability to effect the desired three-for-one stock split, and we will have a limited number of authorized but unissued shares of our common stock available for future issuance. This could impact the Company s ability to issue common stock for capital raising, financing transactions, merger and acquisition transactions and other corporate purposes as we may be restricted in its ability to issue common stock for these needs.

Required Vote

The affirmative vote of a majority of outstanding shares of our common stock entitled to vote at the Annual Meeting is required for stockholders to approve and adopt the proposed amendment to our Amended and Restated Certificate of Incorporation.

Directors Recommendation

The Board of Directors unanimously recommends a vote FOR the amendment of the Amended and Restated Certificate of Incorporation to increase the number of authorized shares of the Company s common stock from 20,000,000 to 65,000,000.

PROPOSAL NUMBER 3: Ratification of the Appointment of Independent Registered Public Accounting Firm

KPMG LLP has served as our independent registered public accounting firm since 1994. The Board of Directors has appointed KPMG LLP to continue to be our independent registered public accounting firm for the current fiscal year ending December 31, 2015. The Audit Committee evaluated the selection of KPMG LLP and gave a recommendation to the Board of Directors in favor of KPMG LLP. We are asking the stockholders to ratify the decision of the Board of Directors to appoint KPMG LLP for the 2015 fiscal year.

Representatives of KPMG LLP are expected to be present at the Annual Meeting to respond to appropriate questions and will have the opportunity to make a statement if they desire to do so.

To be ratified, the appointment of KPMG LLP as our independent registered public accounting firm must receive a majority of the votes cast on that proposal. Abstentions and broker non-votes are treated as present for quorum purposes only and therefore have no effect on the outcome of the proposal.

The Board of Directors recommends a vote FOR the ratification of the appointment of KPMG LLP as the independent registered public accounting firm for the fiscal year ending December 31, 2015.

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PROPOSAL NUMBER 4: Advisory (non-binding) vote on executive compensation

The Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010, or the Dodd-Frank Act, enables our stockholders to vote to approve, on an advisory basis, the compensation of the named executive officers, as described in the CD&A, the compensation tables and the related material in this proxy statement.

This proposal, commonly known as a say-on-pay proposal, gives our stockholders the opportunity to endorse or not endorse our executive compensation program through the following resolution:

Resolved, that the stockholders approve the compensation of WSFS Financial Corporation s named executive officers, as disclosed pursuant to the compensation disclosure rules of the Securities and Exchange Commission (which disclosure shall include the compensation discussion and analysis, the compensation tables and any related material) in this proxy statement.

This proposal will be considered approved if a majority of votes cast by all stockholders entitled to vote at the annual meeting vote in favor of the proposal. Because this vote is advisory, it will not be binding upon the Board. Moreover, this vote will not be construed as overruling a decision by the Board, creating or implying any additional fiduciary duty by the Board, or restricting or limiting the ability of our stockholders to make proposals for inclusion in proxy materials related to executive compensation. However, the committee will take into account the outcome of the vote when considering future executive compensation arrangements.

The Board of Directors recommends a vote FOR approval of this advisory (non-binding) resolution relating to the compensation of WSFS Financial Corporation s executive officers.

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EXECUTIVE COMPENSATION

Forward-Looking Statements

The following Compensation Discussion and Analysis, contains estimates, predictions, opinions, projections and other statements that may be interpreted as forward-looking statements as that phrase is defined in the Private Securities Litigation Reform Act of 1995. Such statements include, without limitation, references to our financial goals, management s plans and objectives for future operations, financial and business trends, business prospects, and management s outlook or expectations for earnings, revenues, expenses, capital levels, liquidity levels, asset quality or other future financial or business performance, strategies or expectations. Such forward-looking statements are based on various assumptions (some of which may be beyond our control) and are subject to risks and uncertainties (which change over time) and other factors which could cause actual results to differ materially from those currently anticipated.

Such risks and uncertainties include, but are not limited to, those related to the economic environment, particularly in the market areas in which we operate, including an increase in unemployment levels; our level of non-performing assets; the volatility of the financial and securities markets, including changes with respect to the market value of financial assets; changes in market interest rates which may increase funding costs and reduce earning asset yields thus reducing margin; increases in benchmark rates would also increase debt service requirements for customers whose terms include a variable interest rate, which may negatively impact the ability of borrowers to pay as contractually obligated; changes in government regulation affecting financial institutions, including the Dodd-Frank Wall Street Reform and Consumer Protection Act and the rules and regulations being issued in accordance with this statute and potential expenses and elevated capital levels associated therewith; possible additional loan losses and impairment of the collectability of loans; possible changes in trade, monetary and fiscal policies, laws and regulations and other activities of governments, agencies, and similar organizations, may have an adverse effect on business; possible rules and regulations issued by the Consumer Financial Protection Bureau or other regulators which might adversely impact our business model or products and services; possible stresses in the real estate markets, including possible continued deterioration in property values that affect the collateral value underlying our real estate loans; our ability to expand into new markets, develop competitive new products and services in a timely manner, and to maintain profit margins in the face of competitive pressures; possible changes in consumer and business spending and saving habits could affect our ability to increase assets and to attract deposits; our ability to effectively manage credit risk, interest rate risk market risk, operational risk, legal risk, liquidity risk, reputational risk, and regulatory and compliance risk; the effects of increased competition from both banks and non-banks; the effects of geopolitical instability and risks such as terrorist attacks; the effects of weather and natural disasters such as floods, droughts, wind, tornados and hurricanes, and the effects of man-made disasters; possible changes in the speed of loan prepayments by our customers and loan origination or sales volumes; possible acceleration of prepayments of mortgage-backed securities due to low interest rates, and the related acceleration of premium amortization on those securities; and the costs associated with resolving any problem loans, litigation and other risks and uncertainties, discussed in documents filed by us with the Securities and Exchange Commission from time to time.

Forward looking statements are as of the date they are made, and we do not undertake to update any forward-looking statement, whether written or oral, that may be made from time to time by or on behalf of us.

COMPENSATION DISCUSSION AND ANALYSIS

Executive Summary

Our Personnel and Compensation Committee (the Committee) provides Board of Director oversight and guidance for executive compensation and related benefits. To assist with its responsibilities, the Committee regularly receives reports and recommendations from its independent consultants, ChaseCompGroup, LLC. Our executive compensation program is designed to reflect a pay-for-performance culture and to align the interests of senior management with our stockholders and our long-term success.

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Our general compensation philosophy is as follows:

- We strive to be competitive in base pay, taking into consideration salaries of similar positions at those of our banking peers with a similar asset size, allowing for exceptions in exceptional circumstances;

- We structure our incentive compensation system to provide rewards for performance that reflects our strategic plan and balances executives focus on both annual goals and our long-term success, without creating undue risk; and

- Our total compensation for expected performance levels is targeted at levels similar to those of our banking peers with a similar asset size. For exceptional performance, we provide total compensation reflecting that exceptional performance.

Our executive compensation practices support good governance and mitigate excessive risk-taking. Among other things, they:

- Require significant share ownership for senior executives;

- Establish multiple performance metrics under the Management Incentive Program (MIP) which discourage excessive risk-taking by executives by removing incentives that focus on single performance goals which may be a detriment to the Company;

- Balance executives short-term and long-term compensation to discourage short-term risk taking at the expense of long-term results;

- Impose a double-trigger for time based equity awards which do not vest solely upon a change in control, but also require a qualifying termination following a change in control;

- Engage an independent compensation consultant who performs no other work for the Company other than as an advisor on senior leadership compensation matters;

- Include a claw-back policy permitting the Personnel and Compensation Committee to recoup certain incentives paid resulting from fraudulent activity, inaccurate performance criteria or reporting, or financial restatements.

- Have no employment contracts with executives which contain special severance payments such as golden parachutes nor multi-year guaranteed bonuses;

- Have no special executive retirement programs;

- Have no gross-up payments to cover personal income or excise taxes that pertain to executive or severance benefits;

- Have no excessive perquisites for executives;

- Allow no hedging, pledging collars, short sales or other derivative transactions of our Common Stock by our executives*;

- Permit no cash buyout, re-pricing or backdating of stock options or restricted shares*;

- Prescribe a minimum vesting period for awards of options and restricted shares of a minimum of four years*.

Note: items in this table marked with an asterisk reflect formalization of prior Company practice or implementation of additional best practices on our compensation policies. These items were disclosed in a Form 8-K filed with the Securities and Exchange Commission on November 20, 2014.

Our goal is to be a high-performing company, thus we have designed our compensation package toward attracting and retaining quality individuals, and motivating and rewarding them for strong performance.

Our 2014 compensation practices were consistent with our long-term focus which, over the past decade, has produced a positive return to our stockholders and exceeded peer averages. An investment of $100 in WSFS common stock in 2005 was worth $141 at December 31, 2014. While behind the Dow Jones Total Market Index ($100 invested in this Index in 2005, was worth $212 at December 31, 2014) our performance exceeded the performance of our industry ($100 invested in the Nasdaq Bank Index in 2005 was worth $105 at December 31, 2014). The comparative value of our stock to the Dow Jones Total Market Index is indicative of how difficult the 2008 financial crisis and regulatory response has been on the banking industry.

Consistent with our long-term focus, we set aggressive, measurable goals. We are accountable for achieving those goals as demonstrated in our competitive pay-for-performance philosophy. Our executive incentive compensation plans, which include our MIP, covering our Named Executive Officers (NEOs): (i) focus on performance measures that are traditionally important to stockholders, (ii) do not promote inappropriate risk, (iii) use fundamental indicators of our performance, growth and health, and (iv) take into consideration industry peer comparisons. These

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performance measures are: Return on Average Assets (ROA), Return on Average Tangible Common Equity (ROTCE) and Earnings per Share (EPS) growth. ROTCE is computed by dividing net earnings allocable to common stockholders by the average tangible common stockholders equity. It is a non-GAAP measure and may not be comparable to similar non-GAAP measures used by other companies. While asset quality is not a formal metric, we believe it is inherently measured in these goals and in our internal policies and governance and in our regulatory exams. In addition, where appropriate, some individual goals for our executives in our MIP are tied to asset quality. The Personnel and Compensation Committee reserves the right to recover (claw-back) any incentives that were paid due to fraudulent activity, inaccurate performance criteria or reporting, or financial restatements.

Based, in part, on input from the Committee s compensation consultant, we believe our compensation plans incorporate industry-recognized best practices in compensation and are consistent with our corporate strategy and long-term goals. They include competitive pay-for-performance standards that are scaled based on increased ROA performance and which promote retention. In one plan, executive management is increasingly rewarded with restricted stock or options for superior absolute performance, as indicated by reaching annual ROA, ROTCE and EPS targets. Vesting over at least four years means these awards do not inure to the benefit of the NEO immediately, but over an extended period of time. Likewise, the cost of such awards is spread over an extended multi-year period.

2014 Overview

In 2014 our region continued to see indications of economic stability and continued slow recovery. The Committee considered the state of the economy, the competitive environment in our marketplace, and the retention of our executives when deciding 2014 executive compensation levels.

The bulk of our organic growth in 2014 continued to come from market share gains rather than economic growth and investment. As mentioned in previous years, some local customers of our largest in-market competitor continued to feel the effects of converting from a long-standing community bank in Delaware to a regional bank headquartered in New York. We continue to benefit from resulting customer and employee dislocation.

As the local marketplace recovers economically, we continue to have success in strengthening our reputation as Delaware s oldest and largest community bank and trust company. We were named by Wilmington s *The News Journal* as a Top Workplace for the ninth year in a row, among the top three workplaces for the sixth consecutive year, and recognized with a special recognition for our commitment to training, development and investing in the career well-being of our Associates. Independent survey results indicate our Customers continue to score us very favorably in Associate engagement and Customer advocacy, firmly in the top quintile of all companies in the world surveyed by Gallup, Inc. For the fourth year in a row, we were named the #1 Bank in Delaware as voted by the Reader s Choice Survey also administered by *The News Journal*. We received the 2014 Community Partner Award from the YMCA of Greater Brandywine, the YMCA of Delaware s Thank-You Picture for our support of their programs. We were recognized by the Department of Delaware Disabled American Veterans and the Distinguished Citizen of the Year Award from the Boy Scouts of America. Our public recognition is another affirmation that our service model is effective and is needed and desired by our local communities.

In 2014, for the fourth year in a row, we showed significant improvement compared to the prior year. We reported GAAP net income of $53.8 million and an ROA of 1.17%, and, solely for the purpose of our incentive plans, we made a quality of earnings adjustment to our incentive plan metrics which lowered our incentive plan ROA to 1.08%, our ROTCE to 12.9% and our EPS growth over 2013 to 11.9%. For a more detailed discussion of our quality of earnings adjustment, see Annual Incentives on page 32.

Compensation considerations for 2014

The Committee and management discussed the ongoing risks to our organization with regard to motivating and retaining our executive team. In late 2012, the Committee engaged the ChaseCompGroup to conduct an in-depth compensation study and to make recommendations for our NEOs for 2013. Our consultant s evaluation confirmed our concerns and supported management s thoughtful process. Upon receiving the report from our consultant, the Committee concluded it would retain the same compensation elements for 2014 as it did for 2013. The Committee approved recommendations made by management and the consultant, which are discussed under the section entitled

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Measuring Actual Performance and Calculating Incentive Payments. The components of 2014 executive compensation were: base salary, annual bonus and long-term incentive compensation.

Our 2014 results reflected significantly improved absolute performance and performance well on the way towards our high-performing goal of a sustainable 1.20%+ ROA by the end of 2015. The following changes to our executive s compensation reflect these results:

- Variable pay, including equity awards and bonuses, were granted to NEOs as permitted under the MIP;
- A market adjustment increase to the base salary of one NEO in 2015 (see Base Salaries on page [ ]); and
- Consistent with our performance, total compensation for 2014 increased from 2013. Our ROA, ROTCE and EPS growth increased 9.3%, 1.5% and 14.2%, respectively over 2013.

Considering the total mix of compensation, we believe the actions above are: (1) consistent with pre-established pay-for-performance plans, (2) reasonable in light of payment levels for our compensation peer group and (3) consistent with our 2014 results, both in absolute terms, and in comparison to prior years results and incentives.

During 2014, the Committee also reviewed an analysis conducted by our Senior Risk Officer (SRO) and concluded that our compensation program is balanced and does not encourage imprudent risk taking.

We also evaluate whether our compensation programs reflect the interests of our stockholders through their non-binding vote, which we take into careful consideration for future executive compensation decisions. In 2012, by their advisory (non-binding) vote, stockholders overwhelmingly approved the compensation of, and compensation arrangement for our executives. This advisory, Say on Pay vote is on this year s proxy ballot as well.

Named Executive Officers (NEOs)

The table below shows our NEOs for 2014.

Mark A. Turner	President and Chief Executive Officer
Stephen A. Fowle	Executive Vice President and Chief Financial Officer
Paul D. Geraghty, Sr.	Executive Vice President and Chief Wealth Officer
Rodger Levenson	Executive Vice President and Chief Commercial Banking Officer

Richard M. Wright	Executive Vice President and Chief Retail Banking Officer

The Role of the Personnel and Compensation Committee of the Board of Directors

The Personnel and Compensation Committee serves the full Board of Directors by providing oversight and guidance with respect to personnel and compensation policies and practices. Also, the Personnel and Compensation Committee provides oversight to management so that we create and maintain competitive programs which attract, develop, motivate, reward and retain Associates committed to superior performance and the highest professional and ethical standards. The Personnel and Compensation Committee ensures that personnel and compensation policies support our strategic mission and comply with all applicable legal and regulatory requirements. They also review and consider the results of stockholders advisory votes on executive compensation. (see page 18 for a complete description of the role of the Personnel and Compensation Committee.)

The Role of Management in Executive Compensation

Our CEO and our Chief Human Capital Officer provide recommendations for the Personnel and Compensation Committee s consideration and manage our compensation programs and policies. Their activities include:

- Assisting the Personnel and Compensation Committee and its independent compensation consultant as requested, with executive compensation reviews, incentive program designs, risk assessments of compensation programs and preparation for meetings;

- Based upon data provided by the Personnel and Compensation Committee, reviewing compensation programs for competitiveness and aligning compensation programs with our strategic goals;

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- Recommending changes to compensation programs to the Personnel and Compensation Committee, where appropriate; and
- Recommending pay levels and incentive plan payments for NEOs, except for the CEO.

The CEO excuses himself from all Personnel and Compensation Committee and Board of Director discussions of his compensation level. As a practical matter, he may discuss the formula by which his and other executives incentive compensation is structured, but does not participate in decisions regarding his awards or changes to his own compensation.

The Role of Stockholder Say-on-Pay Votes

Our Board of Directors, Personnel and Compensation Committee and management value the opinions of our stockholders, including their advisory votes regarding the compensation paid to our named executive officers, which are often referred to as Say-on-Pay votes. At our 2011 Annual Meeting, a majority of our stockholders voted, on an advisory basis, in favor of holding Say-on-Pay votes every three years. Our Board of Directors and Personnel and Compensation Committee considered these results, among other factors, and determined that we will follow our stockholders preferred frequency for conducting Say-on-Pay votes. The next required vote on the frequency of advisory Say-on-Pay votes will occur no later than our 2018 annual meeting of stockholders.

Our last advisory Say-on-Pay vote was conducted in 2012 and was approved by 99.0% of the votes cast. Pursuant to our say-on-pay practice, we are conducting an advisory Say-on-Pay vote at our 2015 annual meeting of stockholders. Although the advisory Say-on-Pay vote is non-binding, our Personnel and Compensation Committee has considered the outcome of previous votes when making compensation decisions for named executive officers. Our Personnel and Compensation Committee believes that these votes evidence our stockholders support for our approach to executive compensation and took this support into account in deciding not to alter the overall compensation plan and program for 2014. Our Personnel and Compensation Committee will continue to consider the outcome of the Say-on-Pay votes when making future compensation decisions for our named executive officers.

The Role of Consultants

In 2013, the Committee worked with ChaseCompGroup LLC, an independent executive compensation consulting firm specializing in the financial services industry. The Committee engaged them to review our equity incentive plans, conduct a peer analysis, perform research on key triggers for executive retention and research and prepare a state of the industry compensation report. ChaseCompGroup reports directly to the Committee and does not provide any non-compensation related services or products to the Committee nor does it provide any services to us. The Committee has worked with the same consultant, Diana Chase, since 2007 under previous firm names. Over these years the consultant has provided the Committee with advice on market competitive pay for executives and directors. In addition to executive benchmark analyses, ChaseCompGroup has assisted us with the executive annual and long-term incentive programs, compliance and industry best practices. The aggregate amount paid to our independent compensation consultant represented 0.026% of our total revenue for 2014. In retaining its consultant, the Personnel and Compensation Committee considered the factors set forth in Rule 10-C-1 under the Exchange Act, and determined that there were no conflicts of interest that would preclude the Personnel and Compensation Committee s use of the consultant. For example, no member of the Personnel and Compensation Committee or any executive officer has a personal relationship with Diana Chase or any member of the ChaseCompGroup, or a business relationship other than in connection with the services described in this proxy statement. Neither Diana Chase nor the ChaseCompGroup owns WSFS stock.

Peer Group and Benchmarking

Approximately every three years, the Committee engages an independent consultant to conduct a formal review of our executive compensation program. As discussed above, a comprehensive review was conducted in late 2012 by the ChaseCompGroup. The Committee requested this review to assess competitive compensation levels for its executives and the Board of Directors.

When benchmarking compensation the Committee uses a Compensation Peer Group (CPG) that is representative of those companies with whom we compete for talent. By using this peer group, it provides a targeted assessment of the compensation practices for publicly traded peer companies, as we cannot readily obtain compensation data from private companies. The CPG allows us to compare our compensation to other banks that have a similar business

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model, size and geographic locations and helps us align base compensation, incentives and equity awards with our compensation philosophy.

The banks in our 2014 CPG were the same as those in the CPG we used in 2013 The organizations comprising the CPG provided a dataset of peers comparable to our size, business model and location and reflected the following:

- Located within MD, NJ, NY, PA, and VA;
- Total assets as of December 31, 2014, were between \$2.2 billion and \$18.8 billion;
- Median total assets were approximately \$5.0 billion, within 3% of our own asset size;
- A number of metropolitan-based and coastal banks; and
- Selected banks in our market with whom we have historically competed for management talent.

Listed below are the companies included in our CPG and their total assets as of December 31, 2014.

Company Name	Ticker	State	Total Assets at December 31, 2014 ($000)	Return on Average Assets 2014 (%)
1Investors Bancorp, Inc. (MHC)	ISBC	NJ	$18,773,639	0.76%
2F.N.B. Corporation	FNB	PA	16,127,090	0.96
3National Penn Bancshares, Inc.	NPBC	PA	9,750,865	1.14
4Provident Financial Services, Inc.	PFS	NJ	8,523,377	0.92
5NBT Bancorp Inc.	NBTB	NY	7,797,926	0.97
6Northwest Bancshares, Inc.	NWBI	PA	7,775,033	0.78
7First Commonwealth Financial Corporation	FCF	PA	6,360,285	0.71
8Tompkins Financial Corporation	TMP	NY	5,269,561	1.03
9Eagle Bancorp, Inc.	EGBN	MD	5,247,880	1.32
10Flushing Financial Corporation	FFIC	NY	5,077,013	0.91
11TowneBank	TOWN	VA	4,982,485	0.87
12S&T Bancorp, Inc.	STBA	PA	4,964,686	1.22
13Beneficial Mutual Bancorp, Inc. (MHC)	BNCL	PA	4,751,522	0.42
14TrustCo Bank Corp NY	TRST	NY	4,644,439	0.97
15Dime Community Bancshares, Inc.	DCOM	NY	4,497,107	1.03
16Sandy Spring Bancorp, Inc.	SASR	MD	4,397,132	0.91
17Lakeland Bancorp, Inc.	LBAI	NJ	3,538,325	0.92
18Kearney Financial Corp. (MHC)	KRNY	NJ	3,510,009	0.29
19Oritani Financial Corp.	ORIT	NJ	3,140,200	1.32
20Hudson Valley Holding Corp.	HVB	NY	3,138,570	0.26
21Sun Bancorp, Inc.	SNBC	NJ	2,718,305	-1.02
22Univest Corporation of Pennsylvania	UVSP	PA	2,235,321	1.01
Average			**6,237,308**	**0.80**
25th Percentile			**3,753,027**	**0.77**
50th Percentile			**4,973,586**	**0.92**
75th Percentile			**7,421,346**	**1.03**
WSFS Financial Corporation	**WSFS**	**DE**	**4,853,320**	**1.17**

Percentile Rank of WSFS Financial Corporation by Asset Size	**45th%**	**88th%**

WSFS had a strong year in 2014 and performed very well relative to our compensation peer group as shown in the table above. Performance is one factor in selecting our compensation peer group as well as market and asset size. While we set our goals for our incentive plans based on our internal budget, we note that our budget and target goals are generally set above the median of our peers on several criteria. In fact, during 2014 we performed at the 88th percentile of this peer group based on ROA, even after adjusting ROA downward for our quality of earnings

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adjustment. We discuss our performance against our 2014 incentive plan further under the section entitled Measuring Actual Performance and Calculating Incentive Payments

Elements of Compensation

In the following section, we describe the elements of our NEO compensation packages. It includes a discussion of how we determine the amounts for each element, why each element is included in our NEO compensation program and the actual payments resulting from our pay-for-performance incentive programs.

Base Salaries

Why We Provide Base Salaries

We offer base salaries to provide a stable source of income to our NEOs. Base salaries also serve as a base amount for the determination of our pay-for-performance programs and serve as a significant tool for recruiting, motivation and retention.

How We Determine Base Salary Amounts

We establish base salaries and assess market competitiveness by comparing our executives qualifications, experience and responsibilities as well as their individual performance and value, to similar positions at peer banks. Additional factors that play a role in setting the final base salary amount for NEOs are as follows:

- Special circumstances related to staffing needs and market situations; and
- Levels of compensation provided from other compensation components.

When determining base salary amounts for a newly hired NEO, we incorporate the following additional factors:

- The prior incumbent s salary;
- The successful candidate s salary history;
- Any market-based data provided by the external recruiter retained for the search; and
- The salary requirements of other candidates being considered for the position who have a similar level of experience.

In 2012, our Personnel and Compensation Committee engaged ChaseCompGroup to conduct a comprehensive market assessment for our executive team. The results of the market analysis indicated the NEO base salaries were near the market median; however the base salary for one of our NEOs, our CFO, was below the market median. We have since adjusted the salary for this position to a level more competitive for this position.

Consistent with national market data provided by ChaseCompGroup and in line with our overall company-wide merit pool, four of our NEOs received a 3% merit increase in base salary for 2015. Our Chief Wealth Officer, however, received a 5% merit increase which puts him slightly above the 50th percentile of his peer group and takes into consideration his experience and expertise. The Board approved NEO base salary increases as indicated below.

	BASE SALARY				
Name and Principal Position	**2015**	**2014 to 2015 % increase**	**2014**	**2013 to 2014 % increase**	**2013**
Mark A. Turner President and Chief Executive Officer	$642,967	3%	$624,240	2%	$612,000
Stephen A. Fowle Executive Vice President and Chief Financial Officer (1)	NA	NA	328,600	6%	310,.000
Paul D. Geraghty, Sr. Executive Vice President and Chief Wealth Officer	312,500	5%	297,600	2%	291,700
Rodger Levenson Executive Vice President and Chief Commercial Banking Officer	350,000	3%	339,700	2%	333,000
Richard M. Wright Executive Vice President and Chief Retail Banking Officer	338,400	3%	328,500	2%	322,000

(1) On February 19, we announced that Mr. Fowle will resign as CFO of the Company following the first quarter of 2015.

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Annual Incentives

Our executives are eligible for an annual award under our MIP. We designed the MIP to reward executives for excellence in performance on key financial metrics determined by the Committee, as well as each executive s performance and contribution in his or her area of responsibility. The Committee also retains the discretion to adjust the awards paid in conjunction with the MIP to take into consideration special performance events or other performance-based circumstances. In 2014, the Committee exercised this discretion to adjust our MIP awards, as more fully described in our discussion of the Quality of Earnings Review on page 33.

Why We Provide Annual Incentives

Our compensation program includes an annual performance-based award. The objective is to compensate executives based on achievement of company-wide and individual goals related to building franchise and stockholder value. The award is intended to reward current performance, which is also in line with our long-term goals, and to motivate the executive to achieve high-performing results.

How We Determine Annual Incentive Amounts

The structure of our annual incentive plan includes: setting company-wide goals; setting individual performance goals; weighting the goals; providing incentive opportunities to NEOs; and measuring actual performance and calculating incentive awards.

- Setting Company performance goals

Each year the Committee reviews our metrics and establishes company-wide targets on the chosen metrics. In selecting the metrics, the Committee considers our short-term and long-term business strategy, the current business environment and the interests of stockholders. The following metrics of our performance were chosen for 2014 and, with the exception of a change in 2013 from Return on Equity to Return on Tangible Common Equity, we remained consistent with those selected in the previous several years. They were:

1. Return on assets (ROA)
2. Return on tangible common equity (ROTCE)
3. Earnings per share (EPS) growth

It is a common practice for organizations to review and adjust performance metrics at the onset of a new performance period to learn from past experiences and implement best practices. This review process helps ensure that company-wide goals used for incentive plans support the Company s overall strategy, accommodate any shifts in strategy from year-to-year or during market changes and learn from past experiences and best practices. Management, working with the Personnel and Compensation Committee consultant, ChaseCompGroup, believed it was appropriate and in the best interests of stockholders to maintain the structure of the plan, while modifying the absolute levels of performance for each of these metrics. As was the case last year, the Personnel and Compensation Committee have the ultimate discretion to modify awards downward if some threshold level is not achieved. Examples of potential modifiers to reduce or eliminate awards include, but are not limited to: downgrading of the Bank s CAMELS rating, imposition of regulatory enforcement actions, or excessive non-performing assets.

In addition, as in the past, the Personnel and Compensation Committee reserves the right to recover (claw-back) any incentives that were paid due to fraudulent activity, inaccurate performance criteria or reporting, or financial restatements.

2015 MIP Performance Goals

As with 2014, ROA, ROTCE and EPS Growth, with equal weightings, were established as the metrics to be used in 2015. We believe that other essential goals, such as growth, efficiency and asset quality are adequately represented in these goals and the individual performance goals of each NEO.

Company-wide performance goals for 2015 are shown below. These goals were set after taking into consideration a number of factors, including our 2015 budget, strategic plan and industry performance of high-performing banks. These goals are set at levels consistent with our strategic plan goal of becoming a high-performing bank (sustainable 1.20%+ ROA by the end of 2015).

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Performance Metric	Threshold 2015	Target 2015	Maximum or Stretch 2015
Return on Average Assets (ROA)	1.00%	1.10%	1.20%
Return on Tangible Common Equity (ROTCE)	11.8%	12.9%	14.0%
Earnings Per Share Growth EPS	5%	9%	15%

Additionally, for 2015, the Board of Directors approved a change to the plan to modify the cash payment based on performance against a broad group of similarly-sized banking companies to include all publically-traded banks and thrifts with assets between $2 billion and $10 billion. If our results for the three company-wide performance metrics have a weighted average at or above this broad peer group s 75th percentile, the NEO s incentive awards will be increased by an additional ten percent of salary. If performance falls below this broad peer group s 50th percentile, the incentives will be reduced by ten percent of salary.

After a thorough review and discussion, the Personnel and Compensation Committee approved the modifications to the MIP Plan for 2015. They also concluded these changes would not expose the company to any material risk.

Claw-back Policy

NEOs are subject to a claw-back policy under which they would be obligated to forfeit and repay any bonus, award or incentive compensation paid under a benefit plan to the extent that such bonus, award or incentive compensation was due to fraudulent activity or based on statements of earnings, revenues, gains, the performance metric criteria of a benefit plan or other criteria that are later found to be materially inaccurate by the Personnel and Compensation Committee.

Quality of Earnings Review

We also conduct a quality of earnings review which evaluates any unusual, one-time items greater than $2 million, after tax, which impact cash, equity and earnings, and considers them for adjustments for the purposes of calculating earnings for the MIP. Any quality of earnings evaluations are made with a strong bias towards ensuring that management is accountable for reported results. For 2014, our review concluded that a first-quarter, $6.7 million ($10.3 million pre-tax equivalent) tax benefit related to our reverse mortgage assets should be excluded from the calculation of earnings for purposes of our MIP. Additionally, we concluded that $4.0 million (pre-tax) of corporate development costs, largely related to the acquisition of the First Wyoming Financial Corporation, should also be excluded from the calculation of earnings for purposes of our MIP. As a result, solely for the purpose of computing MIP awards, all our metrics were adjusted downward. The adjusted ROA was 1.08%, the adjusted ROTCE was 12.9% and the adjusted growth in EPS over 2013 was 11.9%.

- Setting individual performance goals

At the beginning of the year, each NEO who reports to the CEO develops individual performance goals for the year consistent with the budget and strategic plan, as well as for personal professional growth. These goals are submitted to the CEO for review, amendment and approval. Through an iterative, collaborative effort, these NEOs and the CEO agree to the final individual performance goals. Individual performance goals are tailored to each NEO s function and particular area of responsibility, and may cover a wide variety of performance, including, by way of example, financial performance, customer engagement, operational milestones and other matters.

The MIP measures the performance of the CEO solely on company-wide goals. However, the Board of Directors also establishes individual performance expectations for the CEO in addition to those associated with the MIP. These performance expectations are established by the Committee after a review, discussion and approval of recommendations submitted by the CEO. When annual salary adjustments are being considered, the Committee assesses the performance of the NEO as compared to these performance expectations.

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- Weighting the goals

The Committee believes the more senior the rank of the executive, the more responsibility that executive has for Company-wide performance. As a result, for the more senior executives, Company-wide performance measurement criteria play a larger role in determining the amount of incentive awards. Individual and business unit performance goals play a larger role in determining the amount of the incentive award for less senior ranked executives. For 2014, the weighting percentage for the CEO was 100% for Company-wide performance and 0% for individual performance. For 2014, the weighting percentage for each of the EVPs was 75% for Company-wide performance and 25% for individual performance, reflecting his or her role in strategic matters. The weightings for the CEO and EVPs will not change for 2015.

MIP awards are calculated using these percentage allocations. For example, in 2014, the MIP award for Mr. Turner, our CEO, was based entirely on Company-wide financial performance. Although he has individual performance goals, it is the Company-wide metrics that affect his annual incentive (MIP) award. The Personnel and Compensation Committee has discretion to determine the amounts of final award payouts to all our NEOs, with the exception of the CEO, which is at the recommendation of the Personnel and Compensation Committee and at the discretion of the full Board of Directors.

- Providing incentive opportunities to NEOs

The table below shows NEO annual non-equity (cash) incentive opportunities for 2014 under the MIP as a percentage of base salary. When setting MIP goals, the Committee took into consideration the opportunity levels for similar positions within the Compensation Peer Group (CPG) companies along with our philosophy of linking pay to performance. If we meet our Company-wide performance criteria and/or the NEOs achieve their individual performance criteria, we would provide awards as shown in the table. Levels for Minimum, Target and Stretch for all NEOs in 2014 were unchanged from 2013 levels. The Committee believes the greater the alignment of performance weightings with Company-wide goals, and the more objectivity that exists in plan administration, the more likely it will be that incentive payments will be commensurate with an overall improvement in our performance. Our recent market analysis confirmed that the target earning opportunities, shown below, remain competitive.

MIP 2014 Annual Non-Equity Award Opportunity as a Percent of Base Salary			
Name and Principal Position	**Minimum**	**Target**	**Maximum or Stretch**
Mark A. Turner President and Chief Executive Officer	25.0%	50%	120%
Stephen A. Fowle Executive Vice President and Chief Financial Officer	17.5%	40%	90%
Paul D. Geraghty, Sr. Executive Vice President and Chief Wealth Officer	17.5%	40%	90%
Rodger Levenson Executive Vice President and Chief Commercial Banking Officer	17.5%	40%	90%
Richard M. Wright Executive Vice President and Chief Retail Banking Officer	17.5%	40%	90%

Timing of MIP Annual Awards and IRS Section 409A Requirements

Payment of annual incentive awards under the MIP occurs no later than March 15th of the year following the performance period. This timing usually provides ample opportunity for the finalization of year-end performance results as well as maintaining compliance with the short-term deferral exception under Section 409A requirements of the Internal Revenue Code.

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Measuring Actual Performance and Calculating Incentive Payments

In December 2013, the Committee revised the MIP for our NEOs. The intention was to simplify the existing plan, which had been in place for nearly ten years and to make the plan metrics more dynamic. The following is a summary of the current plan design:

- A proportional approach (interpolation) will be used to calculate incentive payouts for the performance results that fall between threshold, target and stretch levels;
- The Company will conduct a quality of earnings review to consider adjustments from GAAP reported earnings to MIP earnings;
- Award opportunities will be based on specified percentages of base salary for Threshold, Target and Stretch achievement by NEOs; and
- Other elements of the plan design, as described above.

The table below shows our 2014 actual results. Our score is calculated by determining the average of scoring for our performance against ROA, ROTCE and earnings per share growth (for 2014, adjusted downward for quality of earnings adjustments) versus pre-established performance targets. A numerical value is interpolated based on a score of 1 for threshold, 2 for target and 3 for stretch. This score is applied to the payout percentages, and a payout is calculated. The individual performance score is calculated similarly.

2014 MIP Company-Wide Performance Goals and Results					
				2014	
Goal	**Threshold**	**Target**	**Maximum or Stretch**	**WSFS Results**	**Result**
Return on Assets (ROA)	0.95%	1.05%	1.15%	1.08%	Above Target
Return on Tangible Common Equity (ROTCE)	11.9%	13.1%	14.4%	12.9%	Nearly Target
Earnings Per Share (EPS) Growth	5%	10%	20%	11.9%	Above Target
				Aggregate Result	Above Target

As the table above shows, for the purposes of the MIP, our Return on Assets was 1.08% in 2014, our Return on Tangible Common Equity was 12.9%, and our growth of Earnings Per Share was 11.9%. Combined, these three metrics resulted in an score 12/100ths of the way between Target and Maximum or Stretch.

Equity/Long-Term Incentives

Our equity-based compensation plan is the primary method by which we provide long-term incentives to our executives. Pursuant to our 2013 Plan, we offer equity awards as a performance incentive to encourage ownership of our Common Stock by our executives and to further align the interests of management with those of our stockholders. Equity awards also provide value by attracting, motivating and retaining executives and provide appropriate and meaningful rewards to NEOs for our long-term success. Beginning in 2013, and for a period of five years, our CEO will not receive equity awards under the 2013 Plan (See CEO Equity Incentive Compensation below).

Annual Performance-Based Awards

In 2014, the LTI plan provided EVP-level NEOs with option awards at 25% of base salary. The total value of the equity awards using the Black-Scholes valuation model granted to our NEO s in 2014 for 2013 performance under this plan was $314,180. These shares had a four year vesting schedule. As mentioned previously, beginning in 2013, and for a period of five years our CEO will not receive equity awards under the 2013 plan.

Changes to our Equity/Long Term Incentives - Annual Performance-Based Awards To improve pay-for-performance, NEOs, other than the CEO, will have the opportunity to earn performance-based equity awards. In addition, supplemental equity awards, which in the past have compensated NEOs for, among other things,

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contribution limitations to qualified retirement plans imposed by the IRS (in lieu of awards), have been eliminated and added to the basic equity plan and awards have been revised to reward for attainment of our performance levels. The plan, structured as part of our MIP plan, is designed so that NEOs will have the potential to earn 25%-35%-45% of their salary in equity awards at threshold, target and stretch performance levels for the same three bank-wide goals: ROAA, ROATCE and EPS Growth. Additionally, under this revised plan, one-half of the equity awards will be stock options with four year vesting and a seven year life, and one-half of the equity awards will be restricted stock units with four year vesting. This revision is effective for grants made in 2015 reflecting our performance goals. These performance goals are the same as those detailed in the 2015 MIP Performance Goals section, above.

Multi-Year, High-Performance Awards

With the exception of our CEO, our NEOs also participated in a multi-year, high-performance incentive plan. In this plan, restricted stock (or performance shares) awards were granted at the beginning of the performance period, but were not actually earned until certain performance goals were met. To aid in retention, any shares of restricted stock earned then start a four-year vesting period. Shares of restricted stock were issued in 2014 for performance metrics met in 2013. This plan is no longer active.

In this plan, three levels of restricted stock awards could have been earned based upon ROA performance achievement. We used a cliff vesting approach so that defined ROA levels must have been achieved by the end of the plan period (which was December 31, 2013) to earn one or more of these award levels.

Under this plan, the Personnel and Compensation Committee set performance goals of 1.00% ROA for Level 1 performance; 1.125% ROA for Level 2 performance; and 1.25% ROA for Level 3 performance, reflecting industry standards, our ROA goals in the current economic climate and consistent with the goals established in our strategic plan.

Based on our performance during a challenging economic environment, there was no restricted stock earned or granted between 2009 and 2013 under this plan. However, because our adjusted ROA was 1.02% in 2013, the Level 1 performance criterion was achieved. As a result, the NEOs earned restricted stock based on a Level 1 award. The awarded shares vest over four years. Mr. Geraghty was eligible for a lower number of restricted shares because he joined our company after the inception of the plan, but was included because of his meaningful contribution to our results. Our CEO was not eligible to receive this award because of a change in his equity compensation plan in 2013. For a more detailed discussion of our CEO compensation, see CEO Equity Compensation, below. The following table shows the number of shares of restricted stock received by NEOs in 2014 under the multi-year high performance plan:

Multi-Year High Performance Awards Received in 2014	
Name and Principal Position	**Number of Restricted Shares**
Mark A. Turner President and Chief Executive Officer	-
Stephen A. Fowle Executive Vice President and Chief Financial Officer	3,500

Paul D. Geraghty, Sr. Executive Vice President and Chief Wealth Officer	1,400
Rodger Levenson Executive Vice President and Chief Commercial Banking Officer	3,500
Richard M. Wright Executive Vice President and Chief Retail Banking Officer	3,500

CEO Equity Incentive Compensation

In 2013, the Board of Directors recommended, a change to the equity incentive compensation of our CEO by executing a Non-Plan Stock Option Agreement. This plan was overwhelmingly approved by 97.9% of voting stockholders, with 88.5% of eligible stockholders voting on this proposal. Under this agreement, Mr. Turner received a grant of 250,000 stock options with an exercise price equal to 20% above the then market value of our common stock. The stock options issued under the Non-Plan Stock Option Agreement have an exercise price of

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$49.52 and expire on February 28, 2020. Vesting occurs over a five year period with 40% vesting after the second year and 20% vesting in each of the following three years.

The agreement also provided that Mr. Turner would no longer be eligible for any new equity awards for a five-year period beginning in 2013 (2013 through 2017 fiscal years, awarded in 2013 through 2018), including eligibility for significant awards under our existing long-term incentive plan, our Multi Year High-Performance Awards and our supplemental equity award plan designed to make up for our lack of deferred compensation plans, which are in use at many other peer institutions. If Mr. Turner had continued to be eligible for those plans, we estimate that the value of those awards would have been worth approximately $1,438,000 for 2013 through 2015, the first three years of his five years of ineligibility.

Timing and Pricing of Equity Awards

The Committee awards equity grants, generally at the February meeting of the Personnel and Compensation Committee. Grants may be recommended during other times of the year for special circumstances, such as the hiring of a new executive, but are subject to Committee approval. The grant date is established when the Committee or other authorized body approves the grant and all key terms have been established.

Associate Service Bonus Plan

Our NEOs also participate in an Associate Service Bonus Plan which is offered to all of our Associates. The two primary components of this plan are our ROA and our Customer Engagement Survey score (CE11) administered by the Gallup Organization. Specific payouts are determined by management based on reaching specific ROA and CE11 scores. The following criteria assist in objective accountability and discourage unnecessary and excessive risk-taking or manipulation of earnings:

- An ROA factor is one component of the calculation of incentive payouts. If our ROA is less than 1%, there is no score given for that component of the Associate Service Bonus Plan calculation;

- The CE11 factor is the other component of the calculation of the incentive payout and is determined based upon the results of an independent customer engagement survey. This factor is not impacted by our earnings; and

- The incentive payouts are capped at $1,500 per Associate.

Reverse Mortgage Related Assets Bonus

The Board approved payment a special bonus payment to certain NEOs to reflect their role in securing ownership of and ensuring the financial benefits of certain reverse mortgage assets during 2013 and 2014. As a result of this work, the Company recorded a $3.8 million (pre-tax) in income during the third quarter of 2013 and a $6.7 million tax benefit during the first quarter of 2014. Each of these positive income items were excluded from our MIP results for purposes of NEO incentive compensation. A total of $200,000 was paid to Associates. Two NEOs, Mr. Turner and Mr. Fowle received $50,000 each as part of this one-time bonus payment.

Benefits

401(k) Employer Contribution

We provide a 401(k) program that allows Associates to contribute a portion of their pre-tax earnings towards retirement savings. We offer a Company match to all Associates enrolled in our 401(k) plan as a component of total compensation and to encourage them to participate in the Plan. We match the first 5% of an Associate s contribution dollar-for-dollar up to IRS limitations.

Director and NEO Non-Qualified Deferred Compensation Plan

In 2014, we introduced a non-qualified deferred compensation plan for our NEOs and Board of Directors. It offers pre-tax, voluntary contributions, tax deferred earnings, investment choices and flexible payment options. This is solely funded by the participant and there is no matching contribution made by us. This plan was reviewed and approved by our Personnel and Compensation Committee and our Board of Directors.

Development Allowance

We provide a Development Allowance to our NEOs which provides up to $25,000 per year for the CEO and up to $10,000 per year for Executive Vice Presidents.

Allowable expenses under the Development Allowance Policy include items that would improve the executives networking and business development prospects, personal health, time management and general well-being in a way

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that can reasonably be expected to result in improvements to their productivity as one of our executives. CEO expenditures must be approved by the Chairman of the Board of Directors or the Chair of the Personnel and Compensation Committee. Expenditures by Executive Vice Presidents must be approved by our CEO.

Separate from the above allowance, executives who are recruited from outside our market may be reimbursed for costs associated with their transitional relocation.

Employment Agreements

Because of our corporate philosophy which emphasizes commitment based on performance, we do not have employment agreements for our NEOs. We have a formal severance policy which provides payments to NEOs if their employment is terminated without cause or under certain conditions following a change of control. Further details concerning Employment Agreements are provided under *Potential Payments upon Termination or Change in Control*.

Tax Considerations Related to Our Executive Compensation

Section 162(m) of the Internal Revenue Code of 1986, as amended (Code Section 162(m)) provides that certain compensation paid in excess of $1 million to the Chief Executive Officer, Chief Financial Officer, or any of the other three most highly compensated executive officers of a public company will not be deductible for federal income tax purposes unless such compensation is paid in accordance with one of the listed exceptions described in Code Section 162(m). However, certain forms of performance-based compensation are excluded from the $1 million deduction limitation, if certain requirements are met. The Personnel and Compensation Committee generally seeks, where feasible and consistent with its overall compensation philosophy and objectives, to structure incentive compensation granted to our executive officers in a manner that is intended to minimize or eliminate the impact of the Section 162 (m) deduction limitation. The deductibility of some types of compensation payments, however, can depend upon numerous factors, including plan design, the timing of the vesting of compensation awards or the exercise of previously granted rights. In addition, tax deductibility is not the sole factor used by the Personnel and Compensation Committee in setting compensation. Corporate objectives may not necessarily align with the requirements for full deductibility under Code Section 162(m). Accordingly, the Personnel and Compensation Committee may grant awards such as time-based restricted stock awards and/or enter into compensation arrangements under which payments are not deductible under Code Section 162(m) if the Personnel and Compensation Committee determines that such non-deductible arrangements are otherwise in the best interests of our stockholders. Also interpretations of, and changes in, applicable tax laws and regulations, as well as other factors beyond our control, also can affect deductibility of certain compensation. As a result of these various factors, and in order that the Personnel and Compensation Committee retains flexibility in awarding compensation, there may be situations when compensation paid will not be tax deductible in accordance with Code Section 162(m).

Sections 280G and 4999 of the Internal Revenue Code of 1986, as amended (Code Sections 280G and 4999) limit our ability to take a tax deduction for certain compensation that could be paid to NEOs resulting from a change in control transaction affecting us. In the event we pay any excess parachute payments as it is defined under Code Section 280G, we would have compensation payments that are not tax deductible and executives would have excise taxes due on the receipt of such excess parachute payments. The Committee considers the adverse tax liabilities imposed by Code Sections 280G and 4999, as well as other competitive factors when it structures certain compensation to our NEOs.

Summary

The CEO, the Chief Human Capital Officer, the Chief Risk Officer, and the Personnel and Compensation Committee, with advice from its consultants, have reviewed all compensation components for each NEO, including base salary, incentive compensation, and all of our incentive compensation plans. They have determined that the compensation packages awarded to our NEOs, and others, are consistent with our goals to provide compensation that is competitive with our peers, that drives financial performance without undue risk, and aligns the interests of our NEOs, and others, with those of our stockholders.

Accordingly, we believe our compensation programs are reasonable, pay-for-performance-based, competitive, not excessive, and do not encourage our executives or any of our Associates to take unnecessary risks that would threaten the value of our financial institution.

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Summary Compensation Table

The following discussions and table summarize the compensation of each NEO for the years ended December 31, 2014, 2013 and 2012.

Amounts Paid in 2015 for 2014 Performance

- Included in the disclosure of 2014 Non-Equity Incentive Plan Compensation are cash awards to NEOs in connection with our MIP Plan, based on 2014 performance, as follows: Mr. Turner, $363,148; Mr. Fowle, $153,223; Mr. Geraghty, $151,055; Mr. Levenson, $167,741; and Mr. Wright $145,416. In addition, each NEO received an all-Associate award of $992.

- Included in the disclosure of 2014 Bonuses, in the Summary Compensation Table, below, are cash awards to Mr. Turner and Mr. Fowle who each received a $50,000 Reverse Mortgage Related Assets bonus.

Awards Granted in 2014 for 2013 Performance

Included in the disclosure of 2014 Stock Awards and Option Awards in the Summary Compensation Table below, is the following:

- The aggregate grant date fair value of restricted stock units granted in 2014 in lieu of benefits earned under other deferred compensation plans for 2013 as follows: Mr. Fowle, $31,750; Mr. Geraghty, $22,594; Mr. Levenson, $30,850; and Mr. Wright, $28,650. Mr. Turner was not eligible for this award as a result of his change in equity compensation.

- The aggregate grant date fair value of stock options granted in 2014 and earned in 2013 under our Long-Term Incentive Plan was as follows: Mr. Fowle, $77,500; Mr. Geraghty, $72,930; Mr. Levenson, $83,250; and Mr. Wright, $80,500. Mr. Turner was not eligible for this award as a result of his change in equity compensation.

Other Awards Granted in 2014

Included in the disclosure of Stock Awards in the Summary Compensation Table below, is the following:

- The aggregate grant date fair value of shares of restricted stock issued in connection with the Multi Year High-Performance plan (described on page 36) as follows: Mr. Fowle, $164,010; Mr. Geraghty, $82,656; Mr. Levenson, $164,010; and Mr. Wright, $164,010, based on a grant date fair value of $59.04 for Mr. Geraghty and $46.86 for all other NEO s. Mr. Turner was not eligible for this award as a result of his change in equity compensation.

Equity Awards Granted in 2015 for 2014 Performance

In 2015, we granted stock options and restricted stock under the MIP and LTI Plan earned in 2014. These awards will be reflected in the Summary Compensation Table for 2015, included in our 2016 proxy statement. The awards were as follows:

- The aggregate grant date fair value of stock options granted in 2015 and earned in 2014 under our Long-Term Incentive Plan, as follows: Mr. Geraghty, $53,821; Mr. Levenson, $61,431; and Mr. Wright, $59,406. Mr. Turner was not eligible for this award as a result of his change in equity compensation. Mr. Fowle was not awarded any options as he is leaving the Company near the end of the first quarter.

- The aggregate grant date fair value of restricted stock units granted in 2015 and earned in 2014 under our Long-Term Incentive Plan, as follows: Mr. Geraghty, $53,821; Mr. Levenson, $61,431; and Mr. Wright, $59,406. Mr. Turner was not eligible for this award as a result of his change in compensation. Mr. Fowle was not awarded any options as he is leaving the Company near the end of the first quarter.

The following table shows the compensation of our NEOs in 2014, 2013 and 2012. The increases in 2014 compared to 2013 reflect revised performance targets for the company, with continued improvement in performance of the Company. In summary, for 2014, our NEOs received the following components of their compensation:

- A 2% increase in base salary for most NEOs, consistent with market data and our company-wide merit pool, and a 6% market adjustment in the base salary for our CFO;

- Decreased non-equity incentives resulting from higher performance targets for the company in 2014 in conjunction with a change from peer-based financial targets to higher predetermined performance targets consistent with our strategic plan. Plan ROA (actual performance adjusted for   quality of earnings   adjustments) improved from 1.02% in 2013, to 1.08% in 2014;

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- Restricted stock awards and option awards that reflect: (i) a decrease in option awards reflecting Special Retention and Motivation awards made in 2013, (ii) elimination of equity awards for our CEO, pursuant to the terms of the Non-Plan award approved by stockholders in 2013, and (iii) multi-year High Performance Awards granted in 2014 based on achievement;

- Similar levels of other compensation from the prior year, reflecting no substantive change in our plans and policies regarding our development allowance and 401(k) match.

Summary Compensation Table

Name and Principal Position	Year	Salary1 ($)	Bonus2 ($)	Stock Awards3 ($)	Option Awards4 ($)	Non-Equity Incentive Plan Compensation ($)	All Other Compensation5 ($)	Total ($)
Mark A. Turner President and Chief Executive Officer	2014	$612,000	$50,000	$ -	$ -	$ 364,140	$ 43,481	$1,069,621
	2013	610,000	-	55,178	3,732,500	735,317	44,627	5,177,622
	2012	583,333	-	372,500	-	165,532	48,413	1,169,778
Stephen A. Fowle - Executive Vice President and Chief Financial Officer	2014	325,500	50,000	195,760	77,500	154,215	22,128	825,103
	2013	306,933	-	71,769	339,601	260,542	20,659	999,504
	2012	283,500	-	67,425	60,750	86,556	29,276	527,507
Paul D. Geraghty, Sr. - Executive Vice President Chief Wealth Officer	2014	296,637	-	105,250	72,930	152,047	15,796	642,660
(hired August 2011)	2013	290,767	-	22,560	314,898	252,890	15,921	897,036
	2012	281,667	-	-	34,050	109,989	15,100	440,806

Rodger Levenson Executive Vice President and Chief Commercial Banking Officer	2014	338,583	-	194,860	83,250	168,733	17,914	803,340
	2013	331,900	-	78,919	419,153	287,297	18,862	1,136,131
	2012	317,333	-	146,151	-	97,737	21,926	583,147
Richard M. Wright - Executive Vice President and Chief Retail Banking Officer	2014	327,417	-	192,660	80,500	146,408	16,485	763,470
	2013	320,933	-	74,662	342,986	262,945	17,670	1,019,196
	2012	306,833	-	131,291	-	93,338	18,254	549,716

1 The amounts shown as salaries in this table may be different from the amounts shown in the Base Salary table on page 31 because this table represents the amount actually paid during a year and the Base Salary table represents year-end base salary level.

2 Represents bonuses paid for the Reverse Mortgage Related Assets Bonus

3 Represents the aggregate fair value of awards on the date they were granted in accordance with ASC Topic 718. See Note 16 of the Notes to the Consolidated Financial Statements included in our Annual Report on Form 10-K for the assumptions made in calculating the grant date fair value.

4 For Mr. Turner, 2013 compensation includes grant-date fair value award of $3.7 million of Non-Plan Stock Options approved both by the Board and by 97.9% of voting stockholders at our 2013 Annual Meeting of Stockholders in connection with his change in equity incentive compensation. As part of the change in compensation he became ineligible to receive other equity-based awards for a period of five years. To date, the approximate value of those awards, had he been eligible to receive them, would have been $1.43 million.

5 All Other Compensation includes dividends related to restricted stock that is not factored into the grant date fair value, contributions made by us into the 401(k) plans of each of our NEOs and a development allowance.

The Personnel and Compensation Committee of the Board, reviewed and approved these 2014 and prior compensation amounts as: consistent with pre-existing plans overwhelmingly approved by stockholders; pay-for-performance-based; and in alignment with the achievement of the individual goals and the Company s performance, which, for 2014was a 9.3%improvement in our performance on ROA, 1.5% improvement in ROTCE, and 14.2% increase in EPS.

Grant of Plan-Based Awards

The number of shares granted to executives under our 2013 Incentive Plan is based on a calculation related to the executive s base salary and may be adjusted by the Committee. The Committee made awards in 2014 for 2013 performance as summarized in the table below.

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The following stock option awards were granted to NEOs as part of their long-term incentive: Mr. Fowle, 4.501; Mr. Geraghty, 4,235; Mr. Levenson, 4,834 and Mr. Wright, 4,675. Mr. Turner was not eligible to receive this award resulting from his change in compensation. The options have an exercise price of $71.47 which is equal to the closing stock price of WSFS Common Stock at the grant date. The grants vest equally over four years and expire on the seventh anniversary of the grant date.

The following restricted share units were granted to NEOs as part of the Multi-Year High Performance plan: Mr. Fowle, 3,500; Mr. Geraghty, 1,400; Mr. Levenson, 3,500; and Mr. Wright, 3,500. Mr. Turner was not eligible to receive this award resulting from his change in compensation. The grants vest equally over four years.

The following restricted share units were granted to NEOs in lieu of benefits earned under other deferred compensation plans: Mr. Fowle, 444; Mr. Geraghty, 316; Mr. Levenson, 432; and Mr. Wright, 401. Mr. Turner was not eligible to receive this award resulting from his change in compensation. The grants vest equally over four years.

The Black-Scholes option-pricing model was used to determine the grant-date fair-value of these options. Other than the CEO, the NEOs received restricted stock unit grants to compensate them for, among other things, the limitations imposed by Internal Revenue Code on highly compensated executives with regard to tax-qualified defined contribution plans, specifically our 401(k) plan. NEOs received cash bonuses under our Associate Service Bonus Plan. No options were re-priced, nor were any modifications made to any outstanding option during 2014.

Grants of Plan-Based Awards

		Estimated Possible Payouts Under Non-Equity Incentive Plan Awards1			Estimated Possible Payouts Under Equity Incentive Plan Awards2	All Other Stock Awards: Number of Shares of Stock or Units (#)	All Other Option Awards: Number of Shares of Stock or Units (#)	Exercise or Base Price of Option Awards ($/Share)	Grant Date Fair Value of Stock and Option Awards5
Name and Principal Position	**Grant Date**	**Threshold ($)**	**Target ($)**	**Maximum ($)**	**Target (#)**				
Mark A. Turner President and Chief Executive Officer	*	$ 156,060	$312,120	$749,088	-	-	-	-	-
Stephen A. Fowle Executive Vice President and Chief Financial Officer	*	43,129	98,580	295,740	4,501				
	2/27/14					3,500 3			$164,010
	2/27/14					444 4			31,750
	2/27/14						4,501	$ 71.47	77,500

Paul D. Geraghty, Sr. Executive Vice President and Chief Wealth Officer	*	39,054	89,266	267,799	4,235					
	2/27/14					1,400 [3]				82,656
	2/27/14					316 [4]				22,594
	2/27/14							4,235	71.47	72,930
Rodger Levenson Executive Vice President and Chief Commercial Banking Officer	*	44,580	101,898	305,694	4,834					
	2/27/14					3,500 [3]				164,010
	2/27/14					432 [4]				30,850
	2/27/14							4,834	71.47	83,250
Richard M. Wright Executive Vice President and Chief Retail Banking Officer	*	43,108	98,532	295,596	4,675					
	2/27/14					3,500 [3]				164,010
	2/27/14					401 [4]				28,650
	2/27/14							4,675	71.47	80,500

1 Represents the 2014 award opportunities under the annual incentive component of the MIP. Actual amounts earned for 2014 are included in the Non-Equity Incentive Plan Compensation column of the Summary Compensation Table on page 40.

2 Represents the 2014 award opportunity under the long-term incentive component of the MIP in which there is only a Target level of achievement. Mr. Turner was not eligible for this award in 2014 (see CEO Equity Incentive Compensation on page 36 for more details).

3 Restricted stock awards granted in 2014 under the Multi-Year High Performance plan.

4 Restricted stock awards granted in 2014 in lieu of benefits earned under other deferred compensation plans.

5 See Note 16 of the Notes to the Consolidated Financial Statements included in our Annual Report on Form 10-K for the assumptions made in calculating the grant date fair value of stock and option awards.

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Outstanding Equity Awards Value at Fiscal Year-End

The following table shows the number and exercise price of all unexercised options held by NEOs as of December 31, 2014, as well as shares of unvested restricted stock owned by the NEOs. The awards are listed in order of grant date. The shorter option expiration dates of more recent grants are due to a change in our policy of granting options to a five-year or seven-year exercise term, from a former ten-year term. These awards are subject to our claw-back policy affecting our NEOs.

Outstanding Equity Awards at Fiscal Year-End

Option Awards					Stock Awards	
Name and Principal Position	Number of Securities Underlying Unexercised Options (#) Exercisable	Number of Securities Underlying Unexercised Options (#) Unexercisable	Option Exercise Price ($)	Option Expiration Date	Number of Shares or Units of Stock That Have Not Vested (#)	Market Value of Shares or Units of Stock That Have Not Vested ($)
Mark A. Turner President and Chief Executive Officer1	-	250,000	$ 49.52	02/28/20	9,008	$ 692,625
Stephen A. Fowle - Executive Vice President and Chief Financial Officer2	3,030 2,453 993	1,011 2,454 2,980 20,000 4,501	44.91 40.89 47.50 49.52 71.47	02/24/16 02/23/17 02/28/18 02/28/20 02/27/21	6,424	493,941
Paul Geraghty - Executive Vice President and Chief Wealth Officer3	1,875 1,375 1,299	625 1,375 3,897 17,500 4,235	34.00 40.89 47.50 49.52 71.47	09/21/16 02/23/17 02/28/18 02/28/20 02/27/21	2,073	159,393
Rodger Levenson Executive Vice President and Chief Commercial Banking Officer4	1,112	3,336 25,000 4,834	47.50 49.52 71.47	02/28/18 02/28/20 02/27/21	8,835	679,323
Richard M. Wright - Executive Vice President and Chief Retail Banking Officer5	1,075	3,226 20,000 4,675	47.50 49.52 71.47	02/28/18 02/28/20 02/27/21	8,918	685,705

1 For Mr. Turner, of the 250,000 unvested options expiring on 02/28/20, 100,000 vest on 02/28/15, 50,000 vest on 02/28/16, 50,000 vest on 02/28/17 and 50,000 vest on 02/28/18.

2 For Mr. Fowle, of the 1,011 unvested options expiring on 02/24/16, 1,011 vest on 02/24/15. Of the 2,454 unvested options expiring on 02/23/17, 1,227 vest on 02/23/15 and 1,227 vest on 02/23/16. Of the 2,980 unvested options expiring on 02/28/18, 993 vest on 02/28/15, 993 vest on 02/28/16 and 994 vest on 02/28/17. Of the 20,000 unvested options expiring on 02/28/20, 8,000 vest on 02/28/15, 4,000 vest on 02/28/16, 4,000 vest on 02/28/17 and 4,000 vest on 02/28/18. Of the 4,501 unvested options expiring on 2/27/2021, 1,125 vest on 2/27/2015, 1,125 vest on 2/27/2016, 1,125 vest on 2/27/2017 and 1,126 vest on 2/27/2018.

3 For Mr. Geraghty, of the 625 unvested options expiring on 09/21/16, 625 vest on 09/21/15. Of the 1,375 unvested options expiring on 02/23/17, 687 vest on 02/23/15 and 688 vest on 02/23/16. Of the 3,897 unvested options expiring on 02/28/18, 1,299 vest on 02/28/15, 1,299 vest on 02/28/16 and 1,299 vest on 02/28/17. Of the 17,500 unvested options expiring on 02/28/20, 7,000 vest on 02/28/15, 3,500 vest on 02/28/16, 3,500 vest on 02/28/17 and 3,500 vest on 02/28/18. Of the 4,235 unvested options expiring on 2/27/2021, 1,058 vest on 2/27/2015, 1,058 vest on 2/27/2016, 1,058 vest on 2/27/2017 and 1,059 vest on 2/27/2018.

4 For Mr. Levenson, of the 3,336 unvested options expiring on 02/28/18, 1,112 vest on 02/28/15, 1,112 vest pm 02/28/16 and 1,112 vest on 02/28/17. Of the 25,000 unvested options expiring on 02/28/20, 10,000 vest on 02/28/15, 5,000 vest on 02/28/16, 5,000 vest on 02/28/17 and 5,000 vest on 02/28/18. Of the 4,834 unvested options expiring on 2/27/2021, 1,208 vest on 2/27/2015, 1,208 vest on 2/27/2016, 1,208 vest on 2/27/2017 and 1,209 vest on 2/27/2018.

5 For Mr. Wright, of the 3.226 unvested options expiring on 02/28/18, 1,075 vest on 02/28/15 and 1,075 vest on 02/28/16 and 1,076 vest on 02/28/17. Of the 20,000 unvested options expiring on 02/28/20, 8,000 vest on 02/28/15, 4,000 vest on 02/28/16, 4,000 vest on 02/28/17 and 4,000 vest on 02/28/18. Of the 4,675 unvested options expiring on 2/27/2021, 1,168 vest on 2/27/2015, 1,169 vest on 2/27/2016, 1,169 vest on 2/27/2017 and 1,169 vest on 2/27/2018.

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Exercises of Options and Vesting of Shares During 2014

The following table shows the number of options exercised and restricted stock vested by the NEOs during the fiscal year ended December 31, 2014.

2014 Option Exercises and Stock Vested

	Option Awards		Stock Awards	
Name and Principal Position	**Number of Shares Acquired on Exercise (#)**	**Value Realized On Exercise ($)**	**Number of Shares Acquired on Vesting (#)**	**Value Realized on Vesting ($)**
Mark A. Turner President and Chief Executive Officer	5,950	$110,766	7,392	$532,260
Stephen A. Fowle Executive Vice President and Chief Financial Officer	3,000	40,871	1,130	83,790
Paul D. Geraghty, Sr. Executive Vice President and Chief Wealth Officer	-	-	118	8,478
Rodger Levenson Executive Vice President and Chief Commercial Banking Officer	-	-	3,944	284,538
Richard M. Wright Executive Vice President and Chief Retail Banking Officer	-	-	3,734	269,710

Potential Payments upon Termination or Change in Control

Termination without Cause

We have adopted a severance policy that provides severance payments upon termination under certain conditions. An executive (which includes all our NEOs) covered by this policy who is terminated without cause is provided a minimum of six months of severance and six months of professional level outplacement. If the executive does not find new employment within six months after termination, severance pay and professional outplacement would continue for another six months, or until the executive finds employment, whichever occurs first. If the executive finds another job at a lower rate of pay than previously paid by us, then we would make up the difference until the second six-month period ends. Medical and dental benefits would continue at the general Associate rate through the severance period.

Change in Control

An executive (which includes all our NEOs) covered by this policy who is terminated without cause (as defined in the policy) or terminates employment for good reason (as defined in the policy) within one year following a change in control would receive 24 months base salary and accelerated vesting of stock options and stock awards. For purposes of the policy, good reason includes requiring the executive to work more than 25 miles from his or her current worksite, a significant diminution in the executive s WSFS salary and incentive opportunity, or a significant reduction in the authority, duties or responsibilities of the executive immediately before the change of control. If termination occurs, the executive would be offered twelve- months of executive level outplacement and medical and dental benefits would continue at the general Associate rate through the 24-month period.

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The following table shows the payments that executives could potentially receive upon termination of their employment or a change of control at December 31, 2014.

Termination Provisions Summary

Name	Benefit	Before Change in Control Termination Without Cause or Departing for Good Reason	After Change in Control Termination Without Cause or Departing for Good Reason	Death	Disability1
Mark A. Turner	Severance pay2	$ 624,240	$1,248,480	$ 100,000	$ 336,120
	Outplacement services3	16,000	16,000	-	-
	Option and restricted stock vesting4	-	7,535,125	7,535,125	7,535,125
	Health benefits5	-	-	-	-
	Total Value	640,240	8,799,605	7,635,125	7,871,245
Stephen A. Fowle	Severance pay	328,600	657,200	50,000	137,746
	Outplacement services3	16,000	16,000	-	-
	Option and restricted stock vesting4	-	1,273,959	1,273,959	1,273,959
	Health benefits5	12,336	24,672	-	-
	Total Value	356,936	1,971,831	1,323,959	1,411,705
Paul D. Geraghty, Sr.	Severance pay2	297,554	595,108	50,000	58,333
	Outplacement services3	16,000	16,000	-	-
	Option and restricted stock vesting4	-	852,161	852,161	852,161
	Health benefits5	10,605	21,210	-	-
	Total Value	324,159	1,484,479	902,161	910,494
Rodger Levenson	Severance pay2	339,660	679,320	50,000	128,511
	Outplacement services3	16,000	16,000	-	-
	Option and restricted stock vesting4	-	1,487,818	1,487,818	1,487,818
	Health benefits5	9,043			

			18,086	-	-
	Total Value	364,703	2,201,224	1,537,818	1,616,329
Richard M. Wright				50,000	125,058
				-	-
	Severance pay**2**	328,440	656,880	1,353,256	1,353,256
	Outplacement services**3**	16,000	16,000		
	Option and restricted stock vesting**4**	-	1,353,256		
	Health benefits**5**	10,605	21,210	-	-
	Total Value	355,045	2,047,346	1,403,256	1,478,314

1 We offer two weeks of short-term disability benefits for all Associates for each year of service up to a maximum of 26 weeks. Long-term disability for all Associates has a $24,000 maximum benefit.

2 Severance payments following a change in control are subject to reduction if such payments would exceed the deductibility limits under Section 280G of the Internal Revenue Code, unless the Personnel and Compensation Committee was to specifically authorize such non-deductible payments at that time on a case-by-case basis.

3 Outplacement services amounts are estimates based on management s experience with outplacement providers.

4 Option vesting is based on an assumed value of $76.89 per common share reflecting the closing price on December 31, 2014.

5 Health benefits represent the premium paid by us, reduced by amount paid by the Associate.

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Retirement Plans

We do not maintain a tax-qualified non-contributory retirement plan (pension plan). However, we do provide continuation of medical benefits to Associates, including NEOs, who retire, should they elect to participate in the benefit. We provide supplemental contributions toward retiree continuing medical coverage costs. For 2014, our contribution towards this supplement was capped at $3,037 per retiree, but may have been less based on length of service at time of retirement of each retiree, irrespective of annual increases to the cost of the medical benefit premium. We limit our increases to no more than 4% annually. Primarily because of changes to Medicare Part D coverage, this plan is no longer meaningfully utilized by, or available to, Associates who were not already retirement eligible as of March 31, 2014.

COMPENSATION OF THE BOARD OF DIRECTORS

The ChaseCompGroup conducted a survey of board compensation in 2013 which revealed total board compensation expense is at the peer group 33rd percentile while total compensation in the market increased by about 20% over the 2012 study, primarily in the form of larger equity grants.

This survey was completed using our CPG, a peer group consisting of twenty-two publicly traded banks with assets between $2-$16 billion as of 2013 year-end and focusing on banks in major metropolitan areas in Maryland, Virginia, New York, New Jersey and Pennsylvania.

The Board s philosophy is to maintain director compensation at the peer median. As a result of the survey and in order to bring overall board compensation to median pay versus peers, the Corporate Governance and Nominating Committee recommended changes to overall board compensation, which the Board of Directors approved at its meeting of June 26, 2014, to be effective July 1, 2014. These changes in total place director compensation for 2014-2015 at just below peer median, individually and in total. The Corporate Governance and Nominating Committee will continue to review Board compensation and committee fees annually and make recommendations for adjustments when and where they feel appropriate.

A summary of changes to the composition of board compensation is shown in the chart below.

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	January 1, 2014-June 30, 2014		Effective July 1, 2014 June 30, 2015	
Board Retainer				
Board retainer	$70,000	• Two-thirds cash of $46,667 to be paid in two equal installments of $23,333.50 each occurring in January and July. • One-third stock of $23,333 to be issued in December.	$80,000	• Two-thirds cash of $53,333 to be paid annually in July. • One-third stock of $26,667 to be paid annually on the second Friday in August.
Committee Chair Fees				
Audit/Trust Audit Committee Chair	$5,000	To be paid in two equal installments of $2,500 occurring in January and July.	$7,500	To be paid annually in July.
Corporate Governance & Nominating Committee Chair	$3,000	To be paid in two equal installments of $1,500 each occurring in January and July.	$5,500	To be paid annually in July.
P&C Committee Chair	$5,000	To be paid in two equal installments of $2,500 each occurring in January and July.	$7,500	To be paid annually in July.
Trust Committee Chair	$3,000	To be paid in two equal installments of $1,500 each occurring in January and July.	$5,500	To be paid annually in July.
Committee Member Fees				
Committee Fees and Special Meeting Fees *(excluding regularly scheduled board meetings)*	$650	• Board is paid the first of the month for all committee and/or special board meetings which occurred in the previous month at the rate of $650 per meeting attended for committees on which they serve. • Any meetings lasting less than 45 minutes are paid at a half-meeting fee of $325. • Participants attending both a conference call lasting less than 45 minutes preceding another scheduled meeting will only receive one meeting fee for both meetings.	See schedule below	All Board members (except management) will be paid a flat rate member fee annually in July for committees on which they serve with an expectation that Committee members will attend 75% or more of the scheduled meetings.* **The Corporate Governance and Nominating Committee will monitor the committee meeting schedules and make adjustment recommendations where appropriate should the meeting schedule vary significantly.*
Audit/Trust Audit Committee Members fee (Includes Chair)	$10,000	To be paid in two equal installments of $5,000 occurring in January and July.	$13,250	To be paid annually in July. *NOTE: This fee now represents the combination of the Audit Committee member fee and the meeting attendance fee ($10,000 + $3,250).*
Corporate Development Committee		As detailed above under Committee Fees and Special Meeting Fees.	$3,250	To be paid annually in July.
Corporate Governance and Nominating Committee		As detailed above under Committee Fees and Special Meeting Fees.	$3,250	To be paid annually in July.
Executive Committee		As detailed above under Committee Fees and Special Meeting Fees.	$16,250	To be paid annually in July.
			$3,250	To be paid annually in July.

Personnel and Compensation Committee		As detailed above under Committee Fees and Special Meeting Fees.		
Trust Committee		As detailed above.	$3,250	To be paid annually in July.

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Director and NEO Non-Qualified Deferred Compensation Plan

In 2014, we introduced a non-qualified deferred compensation plan for our NEOs and Board of Directors. It offers pre-tax, voluntary contributions, tax deferred earnings, investment choices and flexible payment options. This is solely funded by the participant and there is no matching contribution made by the Company. This plan was reviewed and approved by our Personnel and Compensation Committee and our Board of Directors.

Director Compensation Table

The compensation paid to directors during 2014 is summarized in the following table. Mr. Turner is not shown in this table because he was compensated as an officer and did not receive any director compensation.

Concurrent with changes to the Board of Director compensation, the timing of board remuneration was changed so that director retainer and committee fees paid in cash are paid annually in July and the equity portion of the retainer is paid annually in August. For 2014, director compensation appears larger due to the change in the timing of the payments.

Directors	Fees Earned or Paid in Cash	Stock Awards1	All Other Compensation	Total
Marvin N. Schoenhals2	$ 148,010	$ 312,510	-	$ 460,520
Anat Bird	113,042	38,421	-	151,463
Francis B. Brake	66,300	38,421	-	104,721
Charles G. Cheleden	146,617	38,421	-	185,038
Jennifer W. Davis	117,592	38,421		156,013
Donald W. Delson	100,992	38,421	-	139,413
Eleuthère I. du Pont	106,892	38,421	-	145,313
Zissimos A. Frangopoulos3	33,184	-	-	33,184
Calvert A. Morgan, Jr.	139,917	38,421	-	178,338
David G. Turner	102,592	38,421	-	141,013

1 The aggregate fair value of the award on the date of grant, computed in accordance with ASC Topic 718. The assumptions used in valuing the stock awards are detailed in Note 13 of the Notes to the Consolidated Financial Statements contained in our 2014 Annual Report on Form 10-K.

2 Mr. Schoenhals Stock Awards also include the vesting of 5,563 shares of restricted stock with a grant date fair value of $274,089 (based on a grant date fair value per share of $49.27) earned under a performance-based incentive plan described below under Compensation of Mr. Schoenhals. Because the probable performance outcome of this award was not determinable at the time of the original grant, it is being reported as earned.

3 Mr. Frangopoulos retired from the Board of Directors on April 24, 2014.

Compensation of Mr. Cheleden as Lead Director

Charles G. Cheleden currently serves as our Lead Director. During 2014, he was compensated $18,000 for serving in that role in addition to his other compensation as a director.

Compensation of Mr. Schoenhals

Marvin N. Schoenhals is Chairman of our Board of Directors and receives a standard Board of Directors retainer. Having discussed the opportunities that continue to arise resulting from the significant disruption in our markets, in 2011 the Personnel and Compensation Committee decided it was in our best interests to leverage Mr. Schoenhals significant and valuable community relationships, stature, contacts, and reputation to take full advantage of these market share opportunities. The Board of Directors approved a plan in which Mr. Schoenhals received 22,250 shares of restricted stock effective January 3, 2011 with a five-year performance vesting schedule starting at the end of the second year. Based on new business relationships where Mr. Schoenhals has played a meaningful role in helping us establish new business, these shares are subject to vesting in whole or in part if an expected pre-tax contribution over a two year period of time of at least 50% return on the investment of restricted stock cost is achieved. As of January 2015, 11,125 shares vested under this plan.

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PERSONNEL AND COMPENSATION COMMITTEE REPORT

Pursuant to rules and regulations of the Securities and Exchange Commission, this Compensation Committee Report shall not be deemed incorporated by reference into any filing under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended, except to the extent that WSFS Financial Corporation (the Company) specifically incorporates this information by reference, and otherwise shall not be deemed soliciting material or to be filed with the Securities and Exchange Commission, subject to Regulation 14A or 14C of the Securities and Exchange Commission or subject to the liabilities of Section 18 of the Securities Exchange Act of 1934, as amended.

The Personnel and Compensation Committee has reviewed and discussed with management the Compensation Discussion and Analysis to be included in the Company s 2015 Proxy Statement filed pursuant to Section 14(a) of the Securities Exchange Act of 1934, as amended (the Proxy Statement). Based on the reviews and discussions referred to above, the Committee recommends to the Board of Directors that the Compensation Discussion and Analysis referred to above be included in the Proxy Statement.

Personnel and Compensation Committee

Jennifer W. Davis, Chair
Donald W. Delson
Anat Bird
David G. Turner

SECTION 16(a) BENEFICIAL OWNERSHIP REPORTING COMPLIANCE

Our officers and directors are required to file forms with the SEC to report changes in their ownership of WSFS Financial Corporation Common Stock. The forms must be filed with the SEC generally within two business days of the date of the trade. To our knowledge, there were no late filings during 2014.

SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

Ownership of WSFS Financial Corporation Common Stock

The number of shares of our Common Stock beneficially owned by the directors and executive officers and 5% stockholders as of March 2, 2015, the record date set for the Annual Meeting, is shown below. The table also shows the amount of such shares as a percentage of all of the shares of our Common Stock outstanding as of March 2, 2015.

In accordance with Rule 13d-3 under the Exchange Act, for the purposes of this table, a person is deemed to be the beneficial owner of any shares of Common Stock if he or she has, or shares, voting or dispositive power with respect to such Common Stock or has a right to acquire beneficial ownership at any time within 60 days of the determination date. Except as otherwise noted, the named beneficial owner exercises sole voting and investment power over the shares of Common Stock.

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Directors:	Number of Shares (Including Exercisable Options) 1	Percentage of our Common Stock Outstanding
Marvin N. Schoenhals	16,585	*
Anat Bird	4,520	*
Francis B. Brake, Jr.	520	*
Charles G. Cheleden	12,500	*
Jennifer W. Davis	5,235	*
Donald W. Delson	3,746	*
Eleuthère I. du Pont	2,932	*
Calvert A. Morgan, Jr.	9,080	*
David G. Turner	2,616	*
Mark A. Turner	157,112	1.65%
Executive Officers:		
Peggy H. Eddens	27,230	*
Stephen A. Fowle	34,590	*
Paul D. Geraghty, Sr.	18,127	*
Thomas Kearney	20,589	*
Rodger Levenson	26,831	*
S. James Mazarakis	20,670	*
Richard M. Wright	26,625	*
Directors and Executive Officers as a group (17 persons)	389,508	4.05%
Other 5% Stockholders	**Number of Shares**	**Percentage of our Common Stock Outstanding**
FMR LLC 2 245 Summer Street Boston, MA 02210	813,625	8.65%
BlackRock, Inc. 3 40 East 52nd Street New York, NY 10022	551,637	5.86%

Frontier Capital Management Co., LLC. 4 99 Summer Street Boston, MA 02210	481,543	5.12%

* Less than 1% of the outstanding Common Stock.

1 Includes exercisable options for the following individuals: M. Turner: 100,000, Eddens: 18,158, Fowle: 18,832, Geraghty: 14,593, Kearney: 13,903, Levenson: 13,432, Mazarakis: 9,907 and Wright: 11,318.

2 According to the Statement on Schedule 13G/A of FMR LLC on February 13, 2015.

3 According to the Statement on Schedule 13G of BlackRock, Inc. on February 2, 2015.

4 According to the Statement on Schedule 13G of Frontier Capital Management Co., LLC on February 13, 2015.