

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

**FORM 8-K**

**CURRENT REPORT**

**Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934**

**Date of Report (Date of earliest event reported): May 31, 2022**

**Ponce Financial Group, Inc.**

(Exact name of Registrant as Specified in Its Charter)

**Maryland**  
(State or Other Jurisdiction  
of Incorporation)

**001-41255**  
(Commission  
File Number)

**87-1893965**  
(IRS Employer  
Identification No.)

**2244 Westchester Avenue**  
**Bronx, NY**  
(Address of Principal Executive Offices)

**10462**  
(Zip Code)

**Registrant's Telephone Number, Including Area Code: (718) 931-9000**

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instructions A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common stock, par value \$0.01 per share	PDLB	The NASDAQ Stock Market, LLC

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§ 230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§ 240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

**Item 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.**

*Frank Perez becomes Chief Investor Relations Officer; was Chief Financial Officer*

Effective June 1, 2022 (the “Effective Date”), Frank Perez will assume the role of Executive Vice President and Chief Investor Relations Officer of the Company and the Bank and will step down as Chief Financial Officer of Ponce Financial Group, Inc. (the “Company”) and its subsidiary Ponce Bank (the “Bank”). In connection with the transition to his new role, Mr. Perez and the Bank entered into an amendment to his existing employment agreement (the “Amendment”) with the Bank, the terms of which supersede all prior employment arrangements with the Bank and its affiliates. A copy of the Amendment is filed as Exhibit 10.1 hereto and incorporated herein by reference.

*Appointment of Sergio Vaccaro as Chief Financial Officer*

Effective as of the Effective Date, Sergio Vaccaro, age 46, will assume the role of Executive Vice President and Chief Financial Officer of the Company and the Bank. There is no arrangement or understanding between Mr. Vaccaro and any other person pursuant to which Mr. Vaccaro was appointed as an officer, and he is not a family member of any director or executive officer of the Company or the Bank. Mr. Vaccaro is not a party to any transactions that would be required to be disclosed under Section 404(a) of Regulation S-K.

Since 2013, Mr. Vaccaro has held a variety of roles at HSBC, most recently as CFO of Private Bank Americas from 2020 to present. Prior to this role, he held the following roles with HSBC: CFO of Private Bank Americas from 2015 to 2020, Head of Financial Planning and Analysis from 2016 to 2018 and Deputy CFO of Private Bank from 2013 to 2015. Prior to his roles with HSBC, Mr. Vaccaro held roles at Morgan Stanley and Citigroup.

Pursuant to the terms of his offer letter, Mr. Vaccaro will be eligible to receive a grant of approximately 16,667 shares of restricted stock and 33,333 options, contingent on the Company adopting and stockholders approving a new equity incentive plan. As an executive officer, he will otherwise be eligible to receive other equity compensation from time to time as determined by the Board.

**Item 8.01 Other Events.**

On May 31, 2022, the Company issued a press release announcing the reassignment of Mr. Perez and the appointment of Mr. Vaccaro.

A copy of the press release is filed as Exhibit 99.1 hereto and is incorporated herein by reference.

**Item 9.01 Financial Statements and Exhibits.**

(d) Exhibits.

<b>Exhibit Number</b>	<b>Description</b>
10.1	<a href="#">Amendment to Employment Agreement of Frank Perez, dated May 25, 2022</a>
99.1	<a href="#">Press release dated May 31, 2022</a>
104	Cover Page Interactive Data File (embedded within the Inline XBRL)

**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

**Ponce Financial Group, Inc.**

Date: May 31, 2022

By: /s/ Carlos P. Naudon

**Carlos P. Naudon**

**President and Chief Executive Officer**

## AMENDMENT TO EMPLOYMENT AGREEMENT

This Amendment (this “**Amendment**”) to the Employment Agreement by and between Ponce Bank (formerly known as Ponce De Leon Federal Bank) (the “**Bank**”), and Frank Perez (the “**Executive**”), dated as of March 31, 2017 (the “**Employment Agreement**”), is entered into as of May 25, 2022 (the “**Effective Date**”).

WHEREAS, the Bank and the Executive previously entered into the Employment Agreement; and

WHEREAS, the Bank and the Executive desire to amend the Employment Agreement’s terms to reflect changes to the Executive’s employment terms and severance benefits; and

WHEREAS, the Bank and the Executive desire to so amend the Employment Agreement as set forth herein; and

WHEREAS, the Bank and the Executive desire to clarify and affirm certain other matters not addressed in the Employment Agreement.

NOW, THEREFORE, in consideration of the mutual covenants set forth in this Amendment, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereby agree as follows:

**1. Amendments to the Employment Agreement.**

- Section 1 of the Employment Agreement shall be and hereby is amended by adding the following paragraph to the end thereof, to be and to read:

“Notwithstanding the above, the term of the Employment Agreement will end as of the expiration of the Transition Period (as defined in Section 2.1), unless the parties mutually agree to continue the employment relationship for periods beyond December 31, 2022. During the Transition Period, the Bank can terminate the Executive’s employment only for Cause.”

- Section 2.1 of the Employment Agreement shall be and hereby is amended by adding the following paragraph to the end thereof, to be and to read:

“Effective on June 1, 2022, Executive will cease being the Chief Financial Officer for the Bank and Ponce Financial Group, Inc. and shall become the Executive VP and Chief Investor Relations Officer for the Bank and Ponce Financial Group, Inc. through December 31, 2022 (the “**Transition Period**”).”

- Section 2.2 of the Employment Agreement shall be and hereby is amended by adding the following paragraphs to the end thereof, to be and to read:

“Specifically, Executive shall be responsible for the following duties in his role as Executive VP and Chief Investor Relations Officer:

- Leading outreach for promoting mission driven investments;
  - Identification of investors focused on minority-owned businesses;
  - Investor event preparation;
  - Data analysis;
  - Presentations and data visualization;
  - Information collection/preparation;
  - Interacting with equity research analysts; and
  - Such other duties, authority and responsibility are consistent with the Executive’s position.”
- Section 3 of the Employment Agreement shall be amended to add a paragraph at the end thereof:

“Notwithstanding the foregoing, during the Transition Period, the Executive’s performance of the obligations under the Employment Agreement shall be performed in-person at the executive office currently located in Bronx, New York during office hours, unless otherwise directed by the President of the Bank to do otherwise. Executive is permitted to travel for business, attend off-site meetings, take a leave of absence, work remotely, or otherwise be absent from the executive office for purposes that are consistent with his duties and the Bank’s policies with the approval of the President of the Bank.”
  - Section 4.1 of the Employment Agreement shall be amended to add a paragraph at the end thereof:

“During the Transition Period, Executive’s Base Salary will be \$300,000.”
  - Section 5.6 of the Employment Agreement shall be amended to add a new subsection (f):

“(f) December 31, 2022, if the Bank or Executive provide notice to terminate the Employment Agreement when the Transition Period expires.”
  - Article 5 of the Employment Agreement shall be amended to add a new Section 5.10:

“5.10 Expiration of Transition Period with No New Employment Agreement. In the event the Bank and the Executive fail to enter into a new employment agreement at the expiration of the Transition Period (the “**Expiration**”), then:

    - (a) Executive will be deemed to be an at-will employee as of January 1, 2023.
    - (b) Provided Executive executes (and does not revoke) a mutually agreeable release wherein the parties each mutually agree (i) to a reciprocal release in favor of, respectively,

(x) Executive and (y) the Bank and its subsidiaries and their respective officers and directors and (ii) not to disparage the other (the “**Termination Release**”), Executive will be paid a lump sum payment equal to \$200,000 (the “**Contract Termination Payment**”) no later than March 15, 2023. The Contract Termination Payment will be paid whether or not Executive continues as an at-will employee of the Bank after the Expiration and no further severance amounts will be available to Executive upon termination of employment.

(c) If (i) Executive’s employment terminates at the date of Expiration or (ii) if the Bank terminates Executive on or before December 31, 2023, the Bank shall reimburse the Executive for the difference between the monthly COBRA premium paid by the Executive for himself and his dependents and the monthly premium amount paid by similarly situated active executives; provided Executive executes (and does not revoke) a Termination Release and the Executive timely and properly elects COBRA. Such reimbursement shall be paid to the Executive on or before the fifteenth day of the month immediately following the month in which the Executive timely remits the premium payment. The Executive shall be eligible to receive such reimbursement until the earliest of:

- (i) the first anniversary of the Termination Date;
- (ii) the date the Executive is no longer eligible to receive COBRA continuation coverage; and
- (iii) the date on which the Executive receives/becomes eligible to receive substantially similar coverage from another employer.

(d) Executive’s discretionary bonus, if any, will be paid to Executive when other similarly situated employees are paid or, if earlier, no later than March 31, 2023 whether or not Executive is an at-will employee at the time of payment or terminates employment prior to the date of payment.

To the extent this Section 5.10 applies, no other provision of this Agreement providing for severance compensation upon termination of employment shall apply.”

**2. Affirmation.** This Amendment is to be read and construed with the Employment Agreement as constituting one and the same agreement. Except as specifically modified by this Amendment, all remaining provisions, terms and conditions of the Employment Agreement shall remain in full force and effect.

**3. Defined Terms.** All terms not herein defined shall have the meaning ascribed to them in the Employment Agreement.

**4. Ratification as Amended.** Except as amended by this Amendment, the terms and conditions of the Employment Agreement are confirmed, approved, and ratified, and the Employment Agreement, as amended by this Amendment, shall continue in full force and effect. Any reference to the Employment Agreement shall mean the Employment Agreement as amended by this Amendment.

- 5. Attorneys' Fees.** The Bank shall pay the Executive's attorney \$35,000 with respect to the attorneys' fees incurred by the Executive in connection with the negotiation of this Amendment. Such fees will be paid directly to Executive's attorney within 5 business days of the Effective Date.
- 6. Entire Agreement.** The parties agree that the Employment Agreement, as amended by this Amendment, shall be the sole agreement governing Executive's employment with the Bank and with Ponce Financial Group, Inc. (formerly Ponce Bank Mutual Holding Company and PDL Community Bancorp) and that any prior agreement between the Executive and the Bank's holding company is no longer effective and Executive has no claims thereunder. The Employment Agreement and Amendment supersedes and replaces all prior negotiations and/or agreements made between the parties or any third parties relating to the provision of Executive's services or any other matter, whether oral or written, and contains the entire understanding and agreement among the parties with respect thereto. There are no other collateral agreements between the parties, whether written or oral.
- 7. Counterparts.** This Amendment may be executed in one or more counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have executed this Amendment as of the date first written above.

**Ponce Bank**

By: /s/ Carlos P Naudon  
Name: Carlos P. Naudon  
Title: President & CEO

**Frank Perez**

/s/ Frank Perez

**Ponce Financial Group, Inc. Introduces New Executive Officer**

NEW YORK, May 31st, 2022 (GLOBE NEWSWIRE) -- Ponce Financial Group, Inc. (the "Company"), the holding company for Ponce Bank, announced today that the Boards of Directors of the Company and Ponce Bank appointed Mr. Sergio Vaccaro as Chief Financial Officer effective June 1, 2022. Mr. Vaccaro joins the Company and Ponce Bank from HSBC where he was the CFO of Private Bank Americas. Current CFO Frank Perez remains with the Bank as EVP and taking on the newly expanded role of Chief Investor Relations Officer. Mr. Vaccaro has 27 years of accounting experience including 15 years in senior roles at Citigroup, HSBC and Private Bank Americas where he spent 5 years as CFO after leading Financial Planning and Analysis. A native Spanish speaker, Mr. Vaccaro is thrilled to be part of a bank that celebrates and elevates so many members of the Latin and immigrant diaspora throughout the New York Area and beyond. "It is a real privilege to join Ponce Financial Group and Ponce Bank; I believe in their mission, and I look forward to contributing to their continued growth and success." Perez adds "I'm proud to be a part of an organization founded right here where I was born and raised, and which is so committed to growing opportunities for all within this community. My new role as CRO provides an exciting platform to further this mission and ensure that our good work is recognized and rewarded by neighbors and shareholders alike."

**President and Chief Executive Officer's Comments**

Carlos P. Naudon, President and Chief Executive Officer of the Company and Ponce Bank, stated that, "we are grateful to Frank for his leadership in our mutual-to-stock conversion efforts; Frank grew up here and he knows our community, now that we are a fully-public minority depository institution ("MDI") and a community development financial institution ("CDFI"), we need Frank's fulltime effort dedicated to our becoming a preferred investment for similarly mission-driven investors. And it speaks well of our institution's goals and mission that we are able to attract Sergio Vaccaro as our CFO, a person with invaluable experience and stature in the banking industry. We look forward to both helping us execute on our strategy to deploy our recently raised capital."

**Executive Chairman's Comments**

Steven A. Tsavaris, Executive Chairman, remarked that, "with the addition of Sergio Vaccaro as CFO, the transition of Frank Perez to CRO and the recent addition of Luis Gonzalez as COO, we have assembled in short order an executive team that is highly experienced, shares our vision and can execute on our mission."

**About Ponce Financial Group, Inc.**

Ponce Financial Group, Inc., as the successor by merger with PDL Community Bancorp, is the holding company for Ponce Bank. Ponce Bank is a Minority Depository Institution, a Community Development Financial Institution, and a certified Small Business Administration lender. The Bank's business primarily consists of taking deposits from the general public and to a lesser extent alternative funding sources and investing those deposits, together with funds generated from operations and borrowings, in mortgage loans, consisting of 1-4 family residences (investor-owned and owner-occupied), multifamily residences, nonresidential properties and construction and land, and, to a lesser extent, in business and consumer loans. The Bank also invests in securities, which consist of U.S. Government and federal agency securities and securities issued by government-sponsored or government-owned enterprises, as well as, mortgage-backed securities, corporate bonds and obligations, and Federal Home Loan Bank stock.

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## Forward Looking Statements

Certain statements herein constitute forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Exchange Act and are intended to be covered by the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Such statements may be identified by words such as “believes,” “will,” “would,” “expects,” “project,” “may,” “could,” “developments,” “strategic,” “launching,” “opportunities,” “anticipates,” “estimates,” “intends,” “plans,” “targets” and similar expressions. These statements are based upon the current beliefs and expectations of management and are subject to significant risks and uncertainties. Actual results may differ materially from those set forth in the forward-looking statements as a result of numerous factors. Factors that could cause such differences to exist include, but are not limited to, adverse conditions in the capital and debt markets and the impact of such conditions on business activities; changes in interest rates; competitive pressures from other financial institutions; the effects of general economic conditions on a national basis or in the local markets in which Ponce Bank operates, including changes that adversely affect borrowers’ ability to service and repay Ponce Bank’s loans; the anticipated impact of the COVID-19 pandemic and Ponce Bank’s attempts at mitigation; changes in the value of securities in the investment portfolio; changes in loan default and charge-off rates; fluctuations in real estate values; the adequacy of loan loss reserves; decreases in deposit levels necessitating increased borrowing to fund loans and investments; operational risks including, but not limited to, cybersecurity, fraud and natural disasters; changes in government regulation; changes in accounting standards and practices; the risk that intangibles recorded in the financial statements will become impaired; demand for loans in Ponce Bank’s market area; Ponce Bank’s ability to attract and maintain deposits; risks related to the implementation of acquisitions, dispositions, and restructurings; the risk that Ponce Financial Group, Inc. may not be successful in the implementation of its business strategy; changes in assumptions used in making such forward-looking statements and the risk factors described in PDL Community Bancorp’s Annual Report on Form 10-K and Quarterly Reports on Form 10-Q as filed with the Securities and Exchange Commission (the “SEC”), which are available at the SEC’s website, [www.sec.gov](http://www.sec.gov). Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this release. Ponce Financial Group, Inc. disclaims any obligation to publicly update or revise any forward-looking statements to reflect changes in underlying assumptions or factors, new information, future events or other changes, except as may be required by applicable law or regulation.