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): September 4, 2024

PATHFINDER BANCORP, INC.

(Exact name of Registrant as specified in its charter)

Commission File Number: 001-36695

Maryland	38-3941859
(State or Other Jurisdiction of Incorporation or Organization)	(I.R.S. Employer Identification Number)

214 West First Street, Oswego, New York 13126
(Address of Principal Executive Office) (Zip Code)

(315) 343-0057
(Issuer's Telephone Number including area code)

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:

☐ 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 240.14d-2(b))
☐ 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, $0.01 par value	PBHC	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 (17 CFR §230.405) or Rule 12b-2 of the Securities Exchange Act of 1934 (17 CFR §240.12b-2).

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

Employment Agreement with James A. Dowd. Pathfinder Bank (the "Bank"), the wholly owned subsidiary of Pathfinder Bancorp, Inc. (the "Company"), entered into an employment agreement (the "Employment Agreement") on September 4, 2024, with James A. Dowd, President and Chief Executive Officer of the Bank and the Company. The Employment Agreement has an initial term of three years. Commencing on the first anniversary of the date of the Employment Agreement and continuing each anniversary thereafter, the Employment Agreement will extend for an additional year, so that the remaining term will be three years, unless the Bank or Mr. Dowd provides written notice not to extend the term to the other at least thirty (30) days prior to a renewal date. The Employment Agreement will replace and supersede the change in control agreement dated as of December 31, 2018, between the Bank and Mr. Dowd.

The Employment Agreement specifies Mr. Dowd's base salary will initially be $415,000. In addition to his base salary, Mr. Dowd is entitled to participate in any bonus and incentive programs and benefit plans available to senior management employees. In addition, Mr. Dowd will be provided with an automobile.

In the event Mr. Dowd voluntarily terminates employment without good reason (as defined in the Employment Agreement), he will be entitled to receive the sum of his (i) unpaid base salary, (ii) unpaid expense reimbursements, (iii) unused accrued paid time off, (iv) earned but unpaid incentive compensation and (v) any vested benefits the executive may have under any Bank employee benefit plan (i.e., the "Accrued Obligations").

In the event Mr. Dowd's employment involuntary terminates for reasons other than cause, disability or death, or in the event of the executive's resignation for "good reason," in either event other than in connection with a change in control, he will receive a severance payment, paid in a lump sum, equal to the Accrued Obligations plus the base salary and bonus (based on the average annual bonus earned during the three most recent calendar years before his date of termination) he would have received during the remaining term of the Employment Agreement. In addition, if Mr. Dowd elects Consolidated Omnibus Budget Reconciliation Act ("COBRA") coverage, the Bank will pay his monthly COBRA premium payments for up to eighteen (18) months.

In the event Mr. Dowd's employment involuntary terminates for reasons other than cause, disability or death, or in the event of the executive's resignation for "good reason," in either event within twenty-four (24) months following a change in control, he will receive a severance payment, paid in a single lump sum, equal to his Accrued Obligations plus three times the sum of (i) his base salary in effect as of the date of termination or immediately before the change in control, whichever is higher, and (ii) and highest annual cash bonus earned for any of the three prior calendar years. If Mr. Dowd elects COBRA coverage, he will be reimbursed for his monthly COBRA premium payments for up to eighteen (18) months. In addition, all outstanding stock options and shares of restricted stock shall fully vest. He will also become fully vested in any nonqualified deferred compensation plan of the Bank or the Company.

Should Mr. Dowd become disabled during the term of the Employment Agreement, he will be entitled to the Accrued Obligations. If he dies while employed by the Bank, his beneficiaries will receive the Accrued Obligations.

Upon termination of Mr. Dowd' s employment (other than following a change in control), Mr. Dowd will be subject to certain restrictions on his ability to compete or to solicit business or employees of the Bank and the Company for a period of one year. The Employment Agreement also includes provisions protecting the Company's and the Bank's confidential business information.

Change in Control Agreement with Justin Bigham. The Company and the Bank entered into a change in control agreement (the "CIC Agreement") effective as of September 4, 2024, with Justin Bigham, Senior Vice President and Chief Financial Officer of the Bank and the Company. The initial term of the CIC Agreement is through January 1, 2025. Commencing on January 1, 2025, the term of the CIC Agreement will automatically extend for twenty-four (24) months and commencing on January 1, 2026, and each subsequent January 1st, the term will automatically extend for an additional year so that the remaining term will be twenty-four (24) months from the prior renewal date, unless the President and Chief Executive Officer provides written notice of nonrenewal prior to the renewal date.

If, during the term of the CIC Agreement and within two years following a change in control, Mr. Bigham's employment is terminated by the Bank without cause or Mr. Bigham voluntarily resigns for good reason (as defined in the CIC Agreement) on or following a change in control of the Bank and/or the Company, the Bank will make a cash lump sum payment within ten (10) business days to Mr. Bigham equal to (i) twenty-four (24) months of his base salary in effect as of the date of termination or immediately before the change in control, whichever is higher, and (ii) and two times the bonus earned by Mr. Bigham from the Bank in the fiscal year immediately preceding the year in which the termination occurs, or, if higher, in the fiscal year immediately preceding the date which the change in control occurs. In addition, the Bank will provide Mr. Bigham with continued medical and dental insurance coverage for a period of up to twenty-four (24) months and all outstanding stock options and shares of restricted stock held by Mr. Bigham shall fully vest. Notwithstanding the foregoing, the payments required under the CIC Agreement will be reduced to the extent necessary to avoid penalties under Section 280G of the Internal Revenue Code.

If, during the term of the CIC Agreement and prior to a change in control, Mr. Bigham's employment is terminated by the Bank without cause, the Bank will make a cash lump sum payment within ten (10) business days to Mr. Bigham equal to (i) six (6) months of his base salary in effect as of the date of termination, and (ii) fifty percent (50%) of the bonus earned by Mr. Bigham from the Bank in the fiscal year immediately preceding the year in which the termination occurs. In addition, the Bank will provide Mr. Bigham with continued medical and dental insurance coverage for a period of up to six (6) months.

The foregoing descriptions of the Employment Agreement and the CIC Agreement do not purport to be complete and are qualified in their entirety by reference to the Employment Agreement and the CIC Agreement, which are attached hereto as Exhibit 10.1 and Exhibit 10.2 of this Current Report on Form 8-K and incorporated by reference into this Item 5.02.

Item 9.01 – Financial Statements and Exhibits

(a) Financial statements of businesses acquired. None.

(b) Pro forma financial information. None.

(c) Shell company transactions: None.

(d) Exhibits.

10.1	Employment Agreement between Pathfinder Bank and James A. Dowd
10.2	Two-Year Change in Control Agreement between Pathfinder Bancorp, Inc., Pathfinder Bank and Justin Bigham
104	Cover Page Interactive Data File (embedded in the cover page formatted in 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, hereunto duly authorized.

PATHFINDER BANCORP, INC.

Date: September 6, 2024

By: /s/ James A. Dowd
James A. Dowd
President and Chief Executive Officer

EMPLOYMENT AGREEMENT

This Employment Agreement (the "Agreement") is made and entered into, effective as of the 4th day of September, 2024 (the "Effective Date"), by and between Pathfinder Bank, a New York chartered commercial bank (the "Bank"), and James A. Dowd (the "Executive"). Any reference to the "Company" shall mean Pathfinder Bancorp, Inc., the holding company of the Bank. The Company is a signatory to this Agreement for the purpose of guaranteeing the Bank's performance hereunder. Any reference to the "Employer" shall mean both the Company and the Bank.

RECITALS

WHEREAS, the Executive is currently employed as President and Chief Executive Officer of the Employer;

WHEREAS, the Employer and Executive entered into a change in control agreement dated as of December 31, 2018 (the "Prior Agreement"); and

WHEREAS, the Employer desires to employ the Executive pursuant to the terms of this Agreement, which will replace and supersede the Prior Agreement in its entirety, and the Executive desires to be so employed pursuant to the terms contained in this Agreement.

NOW, THEREFORE, in consideration of the mutual covenants herein contained, and upon the other terms and conditions hereinafter provided, the parties hereby agree as follows:

1. POSITION AND RESPONSIBILITIES.

(a) **Employment**. During the Term (as defined in Section 2(a)) of this Agreement, the Executive agrees to continue to serve as President and Chief Executive Officer of the Employer or any successor executive position with the Employer that is consented to, in writing, by the Executive (the "Executive Position"), and will perform the duties of and have all powers associated with the Executive Position as are appropriate for a person in the position of the Executive Position, as well as those as shall be assigned by the Board of Directors of the Employer (the "Board of Directors"). As President and Chief Executive Officer, the Executive will report directly to the Board of Directors. During the period provided for in this Agreement, the Executive also agrees to serve, if elected or appointed, as an officer, director or trustee of any subsidiary or affiliate of the Bank and in such capacity to carry out the duties and responsibilities reasonably appropriate to any such position.

(b) **Responsibilities**. During the Executive's employment hereunder, the Executive will be employed on a full-time basis and devote the Executive's full business time and best efforts, business judgment, skill and knowledge to the performance of the Executive's duties and responsibilities related to the Executive Position. Except as otherwise provided in Section 1(c), or as may be approved by the Board of Directors, the Executive will not engage in any other business activity during the term of this Agreement.

(c) **Service on Other Boards and Committees**. The Bank encourages participation by the Executive on community boards and committees and in activities generally considered to be in the public interest, but the Board of Directors shall have the right to approve or disapprove, in its sole discretion, the Executive's participation on those boards and committees.

2. TERM.

(a) **Term and Annual Renewal**. The initial term of this Agreement will begin as of the Effective Date and continue for a period of three years (the "Term"). Commencing on the first anniversary of the Effective Date and continuing on each subsequent anniversary of the Effective Date (each anniversary referred to as a "Renewal Date"), the Term will extend automatically for one additional year, so that the Term will be three (3) years from the applicable Renewal Date, unless either the Bank or the Executive, by written notice to the other given at least thirty (30) days prior to the Renewal Date, notifies the other of its intent not to extend the Term. In the event either party provides notice not to extend the Term, the Term will become fixed and terminate as of the last day of the then current Term. For avoidance of doubt, any extension to the Term will become the new "Term" for purposes of this Agreement. At least thirty (30) days prior to a Renewal Date, the disinterested members of the Board of Directors will conduct a comprehensive performance evaluation and review of the Executive for purposes of determining whether to take action regarding non-renewal of the Agreement, and the results thereof will be included in the minutes of the meeting of the Board of Directors.

(b) **Change in Control**. Notwithstanding the foregoing, in the event the Bank or the Company has entered into an agreement to effect a transaction that would be considered a Change in Control, as defined in Section 5, the Term of this Agreement will automatically extend so that it expires no less than two (2) years beyond the effective date of the Change in Control, subject to extensions as set forth in Section 2(a).

(c) **Continued Employment Following Expiration of Term**. Nothing in this Agreement will mandate or prohibit a continuation of the Executive's employment following the expiration of the Term.

2. COMPENSATION, BENEFITS AND REIMBURSEMENT.

(a) **Base Salary**. In consideration of the Executive's performance of the responsibilities and duties set forth in this Agreement, the Executive will receive an annual base salary of $415,000 per year ("Base Salary"). The Bank will pay the Base Salary in accordance with its customary payroll practices. During the term of this Agreement, the Board of Directors (or the Compensation Committee of the Board of Directors (the "Compensation Committee")) may increase, but not decrease, the Executive's Base Salary. Any increase in Base Salary will become the new "Base Salary" for purposes of this Agreement.

(b) **Bonus and Incentive Compensation**. The Executive (i) is eligible to participate in any bonus plan or arrangement of the Bank in which senior management is eligible to participate, pursuant to which a bonus may be paid to the Executive in accordance with the plan or arrangement; and/or (ii) may receive a bonus, if any, on a discretionary basis, as determined by the Board of Directors or the Compensation Committee.

(c) **Benefit Plans**. The Executive will be entitled to participate in all employee benefit plans, arrangements and perquisites offered to senior management of the Bank, on terms and conditions no less favorable than the plans, arrangements and perquisites are available to other members of senior management of the Bank. Without limiting the generality of the foregoing, the Executive also will be entitled to participate in any employee benefit plans including but not limited to retirement plans, pension plans, profit-sharing plans, health-and-accident plans, or any other employee benefit plan or arrangement made available by the Bank in the future to senior management or employees generally of the Bank, subject to and on a basis consistent with the terms, conditions and overall administration of those plans and arrangements.

(d) **Leave and Paid Time Off**. The Executive will be entitled to paid time off each year during the term of this Agreement measured on a calendar year basis, in accordance with the Bank's customary practices and in accordance with the Bank's policies and procedures for officers, provided, however, that the Executive will be entitled to a minimum of 30 days of paid time off each year, in addition to all holidays observed by the Bank. Any unused paid time off during an annual period will be treated in accordance with the Bank's personnel policies as in effect from time to time.

(e) **Automobile.** The Employers shall provide the Executive with, and the Executive shall have the primary use of, an automobile owned or leased by the Employers. The Employers shall pay (or reimburse the Executive) for all expenses of insurance, registration, operation and maintenance of the automobile. The Executive shall comply with reasonable reporting and expense limitations on the use of such automobile, as the Employers may establish from time to time, and the Employers shall annually include on the Executive's Form W-2 any amount attributable to the Executive's personal use of such automobile.

(f) **Club Dues.** In addition to any other compensation provided for under this Agreement, the Employers shall pay the Executive an amount sufficient to maintain a membership at the Oswego Country Club, the Century Club of Syracuse or similar club of the Executive's choice.

(g) **Expense Reimbursements**. The Bank will reimburse the Executive for all reasonable travel, entertainment and other expenses incurred by the Executive in performing the Executive's obligations under this Agreement, including, without limitation, fees for memberships in organizations that the Executive and the Board of Directors or the Compensation Committee mutually agree are necessary and appropriate in connection with the performance of the Executive's duties under this Agreement. All reimbursements will be made as soon as practicable upon substantiation of the expenses by the Executive in accordance with the applicable policies and procedures of the Bank and, in any event, not later than sixty days following the date in which the Executive incurred the expense.

4. TERMINATION AND TERMINATION PAY.

Subject to Section 5, which governs the occurrence of a Change in Control, the Executive's employment under this Agreement will terminate under the circumstances set forth in this Section 4.

(a) **Definition of Accrued Obligations**. For purposes of this Agreement, the term "Accrued Obligations" means the sum of: (i) any Base Salary earned but unpaid through the Executive's Date of Termination, (ii) unpaid expense reimbursements (subject to, and in accordance with, Section 3(g)), (iii) unused paid time off accrued through the Date of Termination (subject to an in accordance with Section 3(d)), (iv) any earned but unpaid short-term and long-term incentive compensation for the year immediately preceding the year of termination and (v) any vested benefits the Executive may have under any employee benefit plan of the Bank through the Date of Termination, which vested benefits will be paid and/or provided in accordance with the terms of the applicable employee benefit plans. Unless otherwise provided by the applicable employee benefit plan, the Accrued Obligations, if any, will be paid to the Executive (or the Executive's estate or beneficiary in the event of the Executive's death) within thirty (30) days following the Executive's Date of Termination.

(b) **Death**. This Agreement and the Executive's employment with the Bank will terminate upon the Executive's death, in which event the Bank's sole obligation will be to pay or provide the Executive's estate or beneficiary with any Accrued Obligations.

(c) **Disability**. The Bank may terminate the Executive's employment and this Agreement due to the Executive's Disability. If the Bank terminates the Executive's employment due to the Executive's Disability, the Bank's sole obligation under this Agreement shall be to pay or provide the Executive with any Accrued Obligations. For these purposes, the term "Disability" means the Executive is deemed disabled for purposes of the Bank's long-term disability plan or policy that covers the Executive or is determined to be disabled by the Social Security Administration.

(d) **Termination for Cause**. The Bank may terminate the Executive's employment for "Cause" at any time. The Executive shall have no right to receive compensation or other benefits, other than the Accrued Obligations, for any period after a termination for "Cause." For purposes of Agreement, "Cause" shall be deemed to exist if the Executive: (i) has engaged in any willful act or omission that, in the judgment of the Board of Directors has caused or will likely cause substantial economic damage to the Bank or the Company or substantial injury to the business reputation of the Bank or the Company; or (ii) has engaged in an act or acts of dishonesty or fraud intended to result in enrichment or advantage to the Executive or a third party at the expense of the Bank or through the use of the Bank's assets (including proprietary or confidential information); or (iii) has engaged in the willful failure (other than due to substantiated physical or mental incapacity) to carry out the Executive's duties and responsibilities to the Bank, including any reasonable directions from the Board or Directors, within the standards of performance which could reasonably be expected of an executive working for a banking institution or bank holding company in a similar position, if the willful failure continues for ninety (90) days or more after written notice of the failure is provided to the Executive by the Bank; or (iv) has willfully failed or refused (A) to comply with any material term or provision of this Agreement, (B) to adhere to the material terms of any employment-related policies or procedures as have been or may be established by the Bank, or (C) to execute and comply with the material terms of any instruments as may reasonably be requested by the Bank consistent with the foregoing clauses (A) and (B), including, without limitation, the Bank's rules and policies with respect to conduct and ethics; or (v) has been convicted or enters a plea of guilty or nolo contendere or enters into a pretrial diversion program or similar program relating to a felony or any crime involving moral turpitude; or (vi) is subject to an order of a federal or state regulatory agency or a court of competent jurisdiction requiring the termination of the Executive's employment with the Bank, unless the Executive has appealed that order and the appeal is pending; or (vii) abuses alcohol or any controlled substance in a manner that materially negatively affects the Executive's performance or abilities at the Bank, whether or not such activity constitutes a crime; or (viii) is prohibited from employment with an FDIC-insured institution under applicable federal law or by order of any bank-regulatory agency. Notwithstanding the foregoing, Cause shall not be deemed to exist unless there shall have been delivered to the Executive a copy of a resolution duly adopted by the affirmative vote of not less than a majority of the entire membership of the Board of Directors at a meeting of the Board of Directors called and held for the purpose (after reasonable notice to the Executive and an opportunity for the Executive to be heard before the Board of Directors), finding that in the good faith opinion of the Board of Directors the Executive was guilty of conduct described above and specifying the particulars thereof. Prior to holding a meeting at which the Board of Directors is to make a final determination whether Cause exists, if the Board of Directors determines in good faith at a meeting of the Board of Directors, by not less than a majority of its entire membership, that there is probable cause for it to find that the Executive was guilty of conduct constituting Cause as described above, the Board of Directors may suspend the Executive from his duties hereunder for a reasonable period of time not to exceed twenty-one (21) days pending a further meeting at which the Executive shall be given the opportunity to be heard before the Board of Directors. For purposes of this subparagraph, no act or failure to act, on the Executive's part shall be considered "willful" unless done, or omitted to be done, by his/her not in good faith without reasonable belief that his/her action or omission was in the best interest of the Bank.

(e) **Resignation by Executive without Good Reason**. The Executive may resign from employment during the term of this Agreement without Good Reason upon at least sixty (60) days prior written notice to the Board of Directors, provided, however, that the Bank may accelerate the Date of Termination upon receipt of written notice of the Executive's resignation. In the event the Executive resigns without Good Reason, the Bank's sole obligation under this Agreement will be to pay or provide any Accrued Obligations to the Executive.

(f) **Termination Without Cause or With Good Reason**.

(i) The Board of Directors may immediately terminate the Executive's employment at any time for a reason other than Cause (a termination "Without Cause"), and the Executive may, by written notice to the Board of Directors, terminate his employment at any time within ninety (90) days following an event constituting "Good Reason" (a termination "With Good Reason"); provided, however, that the Bank will have thirty (30) days to cure the "Good Reason" condition, but the Bank may waive its right to cure. In the event of a termination employment described under this Section 4(f)(i) during the Term and subject to the requirements of Section 4(f)(iii), the Bank will pay or provide the Executive the following:

(A) any Accrued Obligations;

(B) a cash payment (less any applicable tax or other withholdings) equal to the remaining Base Salary and bonus (based on the highest bonus earned during the three most recently completed fiscal years prior to the Executive's Date of Termination) that would have been paid to the Executive during the remaining unexpired Term; payable in a lump sum within sixty (60) days of the Executive's Date of Termination; and

(C) provided that the Executive has elected continued health care coverage in accordance with the Consolidated Omnibus Budget Reconciliation Act ("COBRA"), reimbursement of COBRA health care costs by the Bank for up to eighteen (18) consecutive months, or if less, for the period for which the Executive has elected COBRA coverage (commencing with the first month following the Executive's Date of Termination and continuing until the eighteenth month following the Executive's Date of Termination).

(ii) "Good Reason" exists if, without the Executive's express written consent, any of the following occur:

(A) a material reduction in the Executive's Base Salary and/or aggregate incentive compensation opportunities under the Bank's annual and long-term incentive plans or programs, as applicable;

(B) a material reduction in the Executive's authority, duties or responsibilities from the position and attributes associated with the Executive Position;

(C) a relocation of the Executive's principal place of employment by more than thirty-five (35) miles from the Bank's main office; or

(D) a material breach of this Agreement by the Bank.

(iii) Notwithstanding anything to the contrary in Section 4(f)(i), the Executive will not receive any payments or benefits under Sections 4(f)(i)(B) or 4(f)(i)(C) unless and until the Executive executes a release of claims (the "Release") against the Bank and any affiliate, and their officers, directors, successors and assigns, releasing said persons from any and all claims, rights, demands, causes of action, suits, arbitrations or grievances relating to the employment relationship, including claims under the Age Discrimination in Employment Act, but not including claims for benefits under tax-qualified plans or other benefit plans in which the Executive is vested, claims for benefits required by applicable law or claims with respect to obligations set forth in this Agreement that survive the termination of this Agreement. The Release must be executed and become irrevocable by the 60^{th} day following the Date of Termination, provided that if the 60-day period spans two (2) calendar years, then, to the extent necessary to comply with Section 409A of the Internal Revenue Code of 1986, as amended ("Code"), the payments and benefits described in this Section 4(f) will be paid, or commence, in the second calendar year.

(g) **Effect on Status as a Director**. In the event of the Executive's termination of employment under this Agreement for any reason, unless otherwise agreed to by the mutual consent of the Executive and the Board of Directors, the termination will also constitute the Executive's resignation as a director of the Bank and the Company, as well as a director of any subsidiary or affiliate thereof, to the extent the Executive is acting as a director of any of the aforementioned entities.

(h) **Notice; Effective Date of Termination**. Any Notice of Termination of employment under this Agreement must be communicated by or to the Executive or the Bank, as applicable, in accordance with Section 17. For purposes of this Agreement, the term "Date of Termination" means the Executive's termination of employment pursuant to this Agreement, which will be effective on the earliest of: (i) immediately after the Bank gives notice to the Executive of the Executive's termination Without Cause, unless the parties agree to a later date, in which case, termination will be effective as of such later date; (ii) immediately upon approval by the Board of Directors of termination of the Executive's employment for Cause; (iii) immediately upon the Executive's death or Disability; (iv) thirty (30) days after the Executive gives written notice to the Bank of the Executive's resignation from employment (including With Good Reason), provided that the Bank may set an earlier termination date at any time prior to the date of termination of employment, in which case the Executive's resignation shall be effective as of that date; or (v) in the event of the Executive's termination With Good Reason due to a material reduction in Base Salary, the date on which the Executive provides Notice of Termination in accordance with Section 4(f)(i).

5. CHANGE IN CONTROL.

(a) **Change in Control Defined**. For purposes of this Agreement, a "Change in Control" means any of the following events:

(1) Merger: The Company or the Bank merges into or consolidates with another entity, or merges another Bank or corporation into the Bank or the Company, and as a result, less than a majority of the combined voting power of the resulting corporation immediately after the merger or consolidation is held by persons who were stockholders of the Company or the Bank immediately before the merger or consolidation;

(2) Acquisition of Significant Share Ownership: A person or persons acting in concert has or have become the beneficial owner of 25% or more of a class of the Company's or the Bank's voting securities; provided, however, this clause (2) shall not apply to beneficial ownership of the Company's or the Bank's voting shares held in a fiduciary capacity by an entity of which the Company directly or indirectly beneficially owns 50% or more of its outstanding voting securities;

(3) Change in Board Composition: During any period of two consecutive years, individuals who constitute the Company's or the Bank's Board of Directors at the beginning of the two-year period cease for any reason to constitute at least a majority of the Company's or the Bank's Board of

Directors; provided, however, that for purposes of this clause (3), each director who is first elected by the board (or first nominated by the board for election by the stockholders or corporators) by a vote of at least two-thirds (2/3) of the directors who were directors at the beginning of the two-year period shall be deemed to have also been a director at the beginning of such period; or

(4) Sale of Assets: The Company or the Bank sells to a third party all or substantially all of its assets.

(b) **Change in Control Benefits**. Upon the termination of the Executive's employment by the Bank (or any successor) Without Cause or by the Executive With Good Reason during the Term on or within two years after the effective time of a Change in Control, the Bank (or any successor) will pay or provide the Executive, or the Executive's estate in the event of the Executive's death, with the following:

(i) any Accrued Obligations; and

(ii) a cash payment (less any tax or other withholdings) (the "Change in Control Severance") equal to three (3) times the sum of the Executive's: (A) Base Salary at the Date of Termination, or if higher, the Base Salary in effect immediately prior to the date of a Change in Control; and (B) the highest bonus earned for any of the three (3) most recently completed fiscal years prior to the year of a Change in Control; payable in a lump sum within sixty (60) days of the Executive's Date of Termination; and

(iii) provided that the Executive has elected continued health care coverage in accordance with COBRA, reimbursement of the COBRA health care costs by the Bank for up to 18 consecutive months, or if less, for the period for which the Executive has elected COBRA coverage (commencing with the first month following the Executive's Date of Termination and continuing until the eighteenth month following the Executive's Date of Termination); and

(iv) upon the occurrence of a Change in Control, Executive shall become fully vested in and entitled to all benefits granted to him pursuant to any stock option, restricted stock or similar equity award granted to Executive under any equity incentive plan of the Company, and

(v) upon the occurrence of a Change in Control, Executive shall become fully vested in and entitled to all benefits granted to him pursuant to any nonqualified deferred compensation plan of the Bank or Company, applicable to him, if any.

The payments and benefits provided in this Section 5(b) will be payable to the Executive in lieu of any payments or benefits that are payable under Section 4(f).

6. COVENANTS OF EXECUTIVE.

(a) **Non-Solicitation/Non-Compete**. The Executive hereby covenants and agrees that during the "Restricted Period," the Executive will not, without the written consent of the Bank, either directly or indirectly:

(i) solicit, offer employment to, or take any other action intended (or that a reasonable person acting in like circumstances would expect) to have the effect of causing any officer or employee of the Bank, or any of its respective subsidiaries or affiliates, to terminate his or her employment with the Bank and/or accept employment with another employer; or

(ii) become an officer, employee, consultant, director, trustee, independent contractor, agent, joint venturer, partner or trustee of any savings bank, savings and loan association, savings and loan holding company, credit union, bank or bank holding company, insurance company or agency, any mortgage or loan broker or any other entity that competes with the business of the Bank or any of their direct or indirect subsidiaries or affiliates that: (A) has a headquarters within thirty-five (35) miles of the Bank's headquarters (the "Restricted Territory"), or (B) has one or more offices, but is not headquartered, within the Restricted Territory, but in the latter case, only if the Executive would be employed, conduct business or have other responsibilities or duties within the Restricted Territory; or

(iii) solicit, provide any information, advice or recommendation or take any other action intended (or that a reasonable person acting in like circumstances would expect) to have the effect of causing any customer of the Bank to terminate an existing business or commercial relationship with the Bank.

The restrictions contained in this Section 6(a) shall not apply in the event of the Executive's termination of employment on or after the effective time of a Change in Control.

For purposes of this Section 6(a), the "Restricted Period" will be: (i) at all times during Executive's period of employment with the Bank; and (ii) except as provided above, during the period beginning on Executive's Date of Termination and ending on the one-year anniversary of the Date of Termination.

(b) **Confidentiality**. The Executive recognizes and acknowledges that the Executive has been and will be the recipient of confidential and proprietary business information concerning the Bank, including without limitation, past, present, planned or considered business activities of the Bank, and the Executive acknowledges and agrees that the Executive will not, during or after the term of the Executive's employment, disclose such confidential and proprietary information for any purposes whatsoever, except as may be expressly permitted in writing signed by the Bank, or as may be required by regulatory inquiry, law or court order.

(c) **Information/Cooperation**. The Executive will, upon reasonable notice, furnish any information and assistance to the Bank as may be reasonably required by the Bank, in connection with any litigation in which it or any of its subsidiaries or affiliates is, or may become, a party; provided, however, that the Executive shall not be required to provide information or assistance with respect to any litigation between the Executive and the Bank or any other subsidiaries or affiliates.

(d) **Reliance**. Except as otherwise provided, all payments and benefits to the Executive under this Agreement will be subject to the Executive's compliance with this Section 6, to the extent applicable. The parties hereto, recognizing that irreparable injury will result to the Bank, its business and property in the event of the Executive's breach of this Section 6, agree that, in the event of any such breach by the Executive, the Bank will be entitled, in addition to any other remedies and damages available, to an injunction to restrain the violation hereof by the Executive and all persons acting for or with the Executive. The Executive represents and admits that the Executive's experience and capabilities are such that the Executive can obtain employment in a business engaged in other lines of business than the Bank, and that the enforcement of a remedy by way of injunction will not prevent Executive from earning a livelihood. Nothing herein will be construed as prohibiting the Bank from pursuing any other remedies available to them for such breach or threatened breach, including the recovery of damages from the Executive.

7. SOURCE OF PAYMENTS

All payments provided in this Agreement shall be timely paid by check or direct deposit from the general funds of the Bank (or any successor of the Bank).

8. EFFECT ON PRIOR AGREEMENTS AND EXISTING BENEFITS PLANS.

This Agreement contains the entire understanding between the parties hereto and supersedes the Prior Agreement, except that this Agreement shall not affect or operate to reduce any benefit or compensation inuring to the Executive under another plan, program or agreement (other than an employment agreement) between the Bank and the Executive. For purposes of clarity, the Prior Agreement will automatically terminate as of the Effective Date without any further action or notice to the Executive.

9. NO ATTACHMENT; BINDING ON SUCCESSORS.

(a) Except as required by law, no right to receive payments under this Agreement shall be subject to anticipation, commutation, alienation, sale, assignment, encumbrance, charge, pledge, or hypothecation, or to execution, attachment, levy, or similar process or assignment by operation of law, and any attempt, voluntary or involuntary, to affect any such action shall be null, void, and of no effect.

(b) The Bank shall require any successor or assignee, whether direct or indirect, by purchase, merger, consolidation or otherwise, to all or substantially all the business or assets of the Bank, expressly and unconditionally to assume and agree to perform the Bank's obligations under this Agreement, in the same manner and to the same extent that the Bank would be required to perform if no such succession or assignment had taken place. A successor's failure to assent to this Agreement following a Change in Control shall be deemed to be a material breach of this Agreement under Section 4(f).

10. MODIFICATION AND WAIVER.

(a) This Agreement may not be modified or amended except by an instrument in writing signed by the parties hereto.

(b) No term or condition of this Agreement shall be deemed to have been waived, nor shall there be any estoppel against the enforcement of any provision of this Agreement, except by written instrument of the party charged with such waiver or estoppel. No such written waiver shall be deemed a continuing waiver unless specifically stated therein, and each waiver shall operate only as to the specific term or condition waived and shall not constitute a waiver of the term or condition for the future as to any act other than that specifically waived.

11. CERTAIN APPLICABLE LAW.

Notwithstanding anything herein contained to the contrary, the following provisions shall apply:

(a) The Bank may terminate the Executive's employment at any time, but any termination by the Bank other than termination for Cause shall not prejudice the Executive's right to compensation or other benefits under this Agreement. The Executive shall have no right to receive compensation or other benefits under this Agreement for any period after the Executive's termination for Cause, other than the Accrued Obligations.

(b) In no event shall the Bank (nor any affiliate) be obligated to make any payment pursuant to this Agreement that is prohibited by Section 18(k) of the Federal Deposit Insurance Act (codified at 12 U.S.C. sec. 1828(k)), 12 C.F.R. Part 359, or any other applicable law.

(c) Notwithstanding anything in this Agreement to the contrary, to the extent that a payment or benefit described in this Agreement constitutes "non-qualified deferred compensation" under Section 409A of the Code, and to the extent that the payment or benefit is payable upon the Executive's termination of employment, then the payments or benefits will be payable only upon the Executive's "Separation from Service." For purposes of this Agreement, a "Separation from Service" will have occurred if the Bank and the Executive reasonably anticipate that either no further services will be performed by the Executive after the Date of Termination (whether as an employee or as an independent contractor) or the level of further services performed is less than fifty (50) percent of the average level of bona fide services in the thirty-six (36) months immediately preceding the termination. For all purposes hereunder, the definition of Separation from Service shall be interpreted consistent with Treasury Regulation Section 1.409A-1(h)(ii).

(d) Notwithstanding the foregoing, if the Executive is a "Specified Employee" (i.e., a "key employee" of a publicly traded company within the meaning of Section 409A of the Code and the regulations issued thereunder) and any payment under this Agreement is triggered due to the Executive's Separation from Service, then solely to the extent necessary to avoid penalties under Section 409A of the Code, no payment will be made during the first six (6) months following the Executive's Separation from Service. Rather, any payment which would otherwise be paid to the Executive during such period shall be accumulated and paid to the Executive in a lump sum on the first day of the seventh month following the Separation from Service. All subsequent payments shall be paid in the manner specified in this Agreement.

(e) To the extent not specifically provided in this Agreement, any compensation or reimbursements payable to Executive shall be paid or provided no later than two and one-half (2.5) months after the calendar year in which such compensation is no longer subject to a substantial risk of forfeiture within the meaning of Treasury Regulation Section 1.409A-1(d).

(f) Each payment pursuant to this Agreement is intended to constitute a separate payment for purposes Treasury Regulation Section 1.409A-2(b)(2).

(g) Notwithstanding anything in this Agreement to the contrary, the Executive understands that nothing contained in this Agreement limits the Executive's ability to file a charge or complaint with the Securities and Exchange Commission or any other federal, state or local governmental agency or commission ("Government Agencies") about a possible securities law violation without approval of the Bank (or any affiliate). The Executive further understands that this Agreement does not limit the Executive's ability to communicate with any Government Agency or otherwise participate in any investigation or proceeding that may be conducted by any Government Agency, including providing documents or other information, without notice to the Bank (or any affiliate) related to the possible securities law violation. This Agreement does not limit the Executive's right to receive any resulting monetary award for information provided to any Government Agency. In addition, pursuant to the Defend Trade Secrets Act of 2016, the Executive understands that an individual may not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that (i) is made (A) in confidence to a federal, state or local government official, either directly or indirectly, or to an attorney; and (B) solely for the purpose of reporting or investigating a suspected violation of law; or (ii) is made in a complaint or other document that is filed under seal in a lawsuit or other proceeding. Further, an individual who files a lawsuit for retaliation by an employer for reporting a suspected violation of law may disclose the employer's trade secrets to the attorney and use the trade secret information in the court proceeding if the individual (y) files any document containing the trade secret under seal; and (z) does not disclose the trade secret, except pursuant to court order.

12. SEVERABILITY.

If any provision of this Agreement is determined to be void or unenforceable, then the remaining provisions of this Agreement will remain in full force and effect.

13. GOVERNING LAW.

This Agreement shall be governed by the laws of the State of New York, but only to the extent not superseded by federal law.

14. ARBITRATION.

Any dispute or controversy arising under or in connection with this Agreement shall be settled exclusively by arbitration, conducted by a single arbitrator selected by the Bank (or in the case of arbitration following a Change in Control, selected by the Executive) within fifty (50) miles of Springfield, New York, in accordance with the Commercial Rules of the American Arbitration Association then in effect. Judgment may be entered on the arbitrators' award in any court having jurisdiction. The above notwithstanding, the Bank may seek injunctive relief in a court of competent jurisdiction in New York to restrain any breach or threatened breach of any provision of this Agreement, without prejudice to any other rights or remedies that may otherwise be available to the Bank.

15. INDEMNIFICATION.

The Bank will provide the Executive (including the Executive's heirs, executors and administrators) with coverage under a standard directors' and officers' liability insurance policy at its expense, and will indemnify the Executive (and the Executive's heirs, executors and administrators) in accordance with the charter and bylaws of the Bank and to the fullest extent permitted under applicable law against all expenses and liabilities reasonably incurred by the Executive in connection with or arising out of any action, suit or proceeding in which the Executive may be involved by reason of having been a trustee, director or officer of the Bank or any subsidiary or affiliate of the Bank.

16. TAX WITHHOLDING.

The Bank may withhold from any amounts payable to the Executive hereunder all federal, state, local or other taxes that the Bank may reasonably determine are required to be withheld pursuant to any applicable law or regulation (it being understood that Executive is responsible for payment of all taxes in respect of the payments and benefits provided herein).

17. NOTICE.

For the purposes of this Agreement, notices and all other communications provided for in this Agreement shall be in writing and shall be deemed to have been duly given when delivered or mailed by certified or registered mail, return receipt requested, postage prepaid, addressed to the respective addresses set forth below or if sent by facsimile or email, on the date it is actually received.

To the Bank:	Pathfinder Bank. 214 West First Street Oswego, New York 13126 Attention: Corporate Secretary
To Executive:	Most recent address on file with the Bank

[Signature Page Follows]

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

PATHFINDER BANCORP, INC.

By: /s/ William A. Barclay
Name:William A. Barclay
Title: Chairman of the Board

PATHFINDER BANK

By: /s/ William A. Barclay
Name: William A. Barclay
Title: Chairman of the Board

EXECUTIVE

/s/ James A. Dowd
James A. Dowd

TWO YEAR CHANGE IN CONTROL AGREEMENT

This Change in Control Agreement (the "**Agreement**") is made effective as of the 4th day of September, 2024 (the "**Effective Date**"), by and between Pathfinder Bancorp, Inc., a Maryland corporation (the "Company"), Pathfinder Bank, a wholly-owned subsidiary of the Company (the "**Bank**"), and Justin Bigham (the "**Executive**").

WITNESSETH

WHEREAS, Executive was named Senior Vice President and Chief Financial Officer of the Company and the Bank effective June 28, 2024; and

WHEREAS, to induce Executive to remain in the employ of the Company and the Bank and in consideration of Executive's agreement to remain in the employ of the Company and the Bank, the parties desire to specify the severance benefits due to Executive in the event Executive's employment terminates under specified circumstances; and

WHEREAS, Executive is willing to serve the Company and the Bank on the terms and conditions hereinafter set forth.

NOW, THEREFORE, in consideration of the mutual covenants herein contained, and upon the terms and conditions hereinafter provided, the parties hereby agree as follows:

1. TERM OF AGREEMENT

The initial term of this Agreement will begin as of the Effective Date and will continue through January 1, 2025. Commencing on January 1, 2025, the term of this Agreement will automatically extend for twenty-four (24) months and commencing on January 1, 2026 and each subsequent January 1st (each, a "**Renewal Date**"), the term of this Agreement will be automatically extended for an additional year such that the remaining term will be twenty-four (24) months from such Renewal Date, until such time as the President and Chief Executive Officer of the Bank elects not to extend the term of this Agreement by giving written notice to the Executive, in which case the term of this Agreement shall be fixed and shall terminate at the end of the then current term. Reference herein to the term of this Agreement will refer to both such initial term and such extended terms.

Notwithstanding the foregoing, in the event that the Company or the Bank has entered into an agreement to effect a transaction which would be considered a Change in Control, as defined below, then the term of this Agreement shall automatically be extended and shall terminate twenty-four (24) months following the date on which the Change in Control occurs.

2. DEFINITIONS

(a) Change in Control. For purposes of this Agreement, a "Change in Control" means any of the following events:

(1) Merger: The Company or the Bank merges into or consolidates with another entity, or merges another Bank or corporation into the Bank or the

Company, and as a result, less than a majority of the combined voting power of the resulting corporation immediately after the merger or consolidation is held by persons who were stockholders of the Company or the Bank immediately before the merger or consolidation;

(2) Acquisition of Significant Share Ownership: A person or persons acting in concert has or have become the beneficial owner of 25% or more of a class of the Company's or the Bank's voting securities; provided, however, this clause (2) shall not apply to beneficial ownership of the Company's or the Bank's voting shares held in a fiduciary capacity by an entity of which the Company directly or indirectly beneficially owns 50% or more of its outstanding voting securities;

(3) Change in Board Composition: During any period of two consecutive years, individuals who constitute the Company's or the Bank's Board of Directors at the beginning of the two-year period cease for any reason to constitute at least a majority of the Company's or the Bank's Board of Directors; provided, however, that for purposes of this clause (3), each director who is first elected by the board (or first nominated by the board for election by the stockholders or corporators) by a vote of at least two-thirds (2/3) of the directors who were directors at the beginning of the two-year period shall be deemed to have also been a director at the beginning of such period; or

(4) Sale of Assets: The Company or the Bank sells to a third party all or substantially all of its assets.

(b) Good Reason shall mean a termination by Executive following a Change in Control if, without Executive's express written consent, any of the following occurs:

(1) failure to elect or reelect or to appoint or reappoint Executive to the position and title that the Executive maintained immediately prior to a Change in Control;

(2) a material change in Executive's authority, duties or responsibilities to become one of lesser authority, duty or responsibilities then the position Executive held immediately prior to the Change in Control;

(3) a material reduction in Executive's base salary and benefits; or

(4) a relocation of Executive's principal place of employment by more than forty-five (45) miles from its location as of the date of this Agreement;

provided, however, that prior to any termination of employment for Good Reason, Executive must first provide written notice to the Bank (or its successor) within ninety (90) days following the initial existence of the condition, describing the existence of such condition, and the Bank shall thereafter have the right to remedy the condition within thirty (30) days of the date the Bank received the written notice from Executive. If the Bank remedies the condition within such thirty (30) day cure period, then no Good Reason shall be deemed to exist with respect to such condition. If the Bank does not remedy the condition within such thirty (30) day cure period, then Executive may deliver a Notice of Termination for Good Reason at any time within sixty (60) days following the expiration of such cure period.

(c) Termination for Cause shall mean termination because of, in the good faith determination of the Company's Board of Directors (the "Board"), Executive's:

(1) material act of dishonesty or fraud in performing Executive's duties on behalf of the Bank;

(2) incompetence (in determining incompetence, the acts or omissions shall be measured against standards generally prevailing in the banking industry) in performing Executive's duties on behalf of the Bank;

(3) willful misconduct that in the judgment of the Board will likely cause economic damage to the Bank or injury to the business reputation of the Bank;

(4) breach of fiduciary duty involving personal profit;

(5) intentional failure to perform stated duties under this Agreement after written notice thereof from the Board;

(6) willful violation of any law, rule or regulation (other than traffic violations or similar offenses which results only in a fine or other non-custodial penalty) that reflect adversely on the reputation of the Bank, any felony conviction, any violation of law involving moral turpitude, or any violation of a final cease-and-desist order; any violation of the policies or procedures of the Bank as outlined in the Bank's employee handbook, which would result in termination of a Bank employee, as from time to time amended and incorporated herein by reference; or

(7) material breach by Executive of any provision of this Agreement.

A determination of whether Executive's employment shall be terminated for Cause shall be made at a meeting of the Board called and held for such purpose, at which the Board makes a finding that in good faith opinion of the Board an event set forth in clauses (1), (2), (3), (4), (5), (6), or (7) above has occurred and specifying the particulars thereof in detail.

3. BENEFITS UPON TERMINATION IN CONNECTION WITH A CHANGE IN CONTROL

(a) If within two years on or after a Change in Control and during the term of this Agreement, the Bank (or it successor) terminates Executive's employment for a reason other than Cause, or if Executive terminates employment for Good Reason, then the Bank will pay Executive, or Executive's beneficiary or beneficiaries, as applicable, in the event of Executive's death prior to receiving the payment due, the following amounts:

(1) a cash lump sum payment equal to (i) twenty-four (24) months of Executive's base salary in effect as of the Date of Termination, or if higher, the base salary in effect immediately prior to the date of a Change in Control, and (ii) two times the bonus earned by Executive from the Bank in the fiscal year immediately preceding the year in which the termination occurs, or if higher, the bonus earned in the fiscal year immediately preceding the date of a Change in Control, less applicable withholding taxes, payable by lump sum within ten (10) business days of the Date of Termination, and

(2) cause to be continued at no cost to Executive, life insurance and non-taxable medical and dental coverage substantially identical to the coverage maintained by the Bank for Executive prior to Executive's termination for twenty-four (24) months. If the Bank cannot provide one or more of the benefits set forth in this Section 3(a)(2) because Executive is no longer an employee, applicable rules and regulations prohibit such benefits or the payment of such benefits in the manner contemplated, or it would subject the Bank to penalties, then the Bank shall pay Executive a cash lump sum payment reasonably estimated to be equal to the value of such benefits or the value of the remaining benefits at the time of such determination. Such cash payment shall be made in a lump sum within ten (10) days after the later of Executive's Date of Termination or the effective date of the rules or regulations prohibiting such benefits or subjecting the Bank to penalties, and

(3) upon the occurrence of a Change in Control, Executive shall become fully vested in and entitled to all benefits granted to him pursuant to any stock option, restricted stock or similar equity award granted to Executive under any equity incentive plan of the Company.

(b) In no event shall the payments or benefits to be made or provided to Executive under Section 3 hereof (the "Termination Benefits") constitute an "excess parachute payment" under Section 280G of the Internal Revenue Code of 1986, as amended ("Code") or any successor thereto, and in order to avoid such a result, Termination Benefits will be reduced, if necessary, to an amount, the value of which is one dollar ($1.00) less than an amount equal to three (3) times Executive's "base amount," as determined in accordance with Section 280G of the Code. The reduction of the Termination Benefits provided by this Section 3 shall be applied to the cash severance benefits otherwise payable under Section 3(a) hereof.

4. INVOLUNTARY TERMINATION OF EMPLOYMENT PRIOR TO CHANGE IN CONTROL

If during the term of this Agreement, the Bank (or it successor) terminates Executive's employment for a reason other than Cause, and provided that Executive executes and does not revoke a release agreement, the Bank will pay Executive, or Executive's beneficiary or beneficiaries, as applicable, in the event of Executive's death prior to receiving the payment due, the following amounts:

(a) a cash lump sum payment equal to (i) six (6) months of Executive's base salary in effect as of the Date of Termination, and (ii) fifty percent (50%) of the bonus earned by Executive from the Bank in the fiscal year immediately preceding the year in which the termination occur, less applicable withholding taxes, payable by lump sum within ten (10) business days of the Date of Termination, and

(b) cause to be continued at no cost to Executive, non-taxable medical and dental coverage substantially identical to the coverage maintained by the Bank for Executive prior to Executive's termination for six (6) months. If the Bank cannot provide one or more of the benefits set forth in this Section 4(a)(2) because Executive is no longer an employee, applicable rules and regulations prohibit such benefits or the payment of such benefits in the manner contemplated, or it would subject the Bank to penalties, then the Bank shall pay Executive a cash lump sum payment reasonably estimated to be equal to the value of such benefits or the value of the remaining benefits at the time of such determination. Such cash payment shall be made in a lump sum within ten (10) days after the later of Executive's Date of Termination or the effective date of the rules or regulations prohibiting such benefits or subjecting the Bank to penalties.

(c) Notwithstanding the foregoing, Executive shall not be entitled to any payments or benefits under this Section 4 unless and until (i) Executive executes a release of his claims against the Bank, the Company and any affiliate, and their officers, directors, successors and assigns, releasing said persons from any and all claims, rights, demands, causes of action, suits, arbitrations or grievances relating to the employment relationship, including claims under the Age Discrimination in Employment Act, but not including claims for benefits under tax-qualified plans or other benefit plans in which Executive is vested, claims for benefits required by applicable law or claims with respect to obligations set forth in this Agreement that survive the termination of this Agreement (the "**Release**"), and (ii) the payments and benefits under this Section 4 shall begin on the 30th day following the date of the Executive's Separation from Service, provided that before that date, the Executive has signed (and not revoked) the Release and the Release is irrevocable under the time period set forth under applicable law, provided further, that if the 30-day period spans two (2) calendar years, then, to the extent necessary to comply with Section 409A of the Code, the payments and benefits will be paid, or commence, in the second calendar year.

5. NOTICE OF TERMINATION

Any purported termination by the Bank or by Executive in connection with or following a Change in Control shall be communicated by Notice of Termination to the other party hereto. For purposes of this Agreement, a "Notice of Termination" shall mean a written notice which shall indicate the Date of Termination and, in the event of termination by Executive, the specific termination provision in this Agreement relied upon and shall set forth in reasonable detail the facts and circumstances claimed to provide a basis for termination of Executive's employment under the provision so indicated. "Date of Termination" shall mean the date specified in the Notice of Termination (which, in the case of a termination for Cause, shall be immediate).

6. SOURCE OF PAYMENTS

All payments provided in this Agreement shall be timely paid in cash or check from the general funds of the Bank.

7. REQUIRED PROVISIONS

(a) The Board may terminate Executive's employment at any time, but any termination by the Board other than termination for Cause shall not prejudice Executive's right to compensation or other benefits under this Agreement. Executive shall have no right to receive compensation or other benefits for any period after Executive's termination for Cause.

(b) Notwithstanding anything herein to the contrary, any payments to Executive pursuant to this Agreement or otherwise are subject to and conditioned upon their compliance with 12 U.S.C. Section 1828(k) and the regulations promulgated thereunder in 12 C.F.R. Part 359.

(c) For purposes of this Agreement, any termination of Executive's employment shall be construed to require a "Separation from Service" in accordance with Code Section 409A and the regulations promulgated thereunder, such that the Bank and Executive reasonably anticipate that the level of bona fide services Executive would perform after termination of employment would permanently decrease to a level that is less than 50% of the average level of bona fide services performed (whether as an employee or an independent contractor) over the immediately preceding thirty-six (36)-month period.

(d) Notwithstanding the foregoing, in the event Executive is a Specified Employee (as defined herein), then, solely, to the extent required to avoid penalties under Code Section 409A, Executive's payments shall be delayed until the first day of the seventh month following Executive's Separation from Service. A "Specified Employee" shall be interpreted to comply with Code Section 409A and shall mean a key employee within the meaning of Code Section 416(i) (without regard to paragraph 5 thereof), but an individual shall be a "Specified Employee" only if the Bank or Company is or becomes a publicly traded company.

8. NO ATTACHMENT

Except as required by law, no right to receive payments under this Agreement shall be subject to anticipation, commutation, alienation, sale, assignment, encumbrance, charge, pledge, or hypothecation, or to execution, attachment, levy, or similar process or assignment by operation of law, and any attempt, voluntary or involuntary, to effect any such action shall be null, void, and of no effect.

9. ENTIRE AGREEMENT; MODIFICATION AND WAIVER

(a) This Agreement contains the entire understanding between the parties hereto, except that this Agreement shall not affect or operate to reduce any benefit or compensation inuring to Executive of a kind elsewhere provided.

(b) This Agreement may not be modified or amended except by an instrument in writing signed by the parties hereto.

(c) No term or condition of this Agreement shall be deemed to have been waived, nor shall there be any estoppel against the enforcement of any provision of this Agreement, except by written instrument of the party charged with such waiver or estoppel. No such written waiver shall be deemed a continuing waiver unless specifically stated therein, and each such waiver shall operate only as to the specific term or condition waived and shall not constitute a waiver of such term or condition for the future or as to any act other than that specifically waived.

10. SEVERABILITY

If, for any reason, any provision of this Agreement, or any part of any provision, is held invalid, such invalidity shall not affect any other provision of this Agreement or any part of such provision not held so invalid, and each such other provision and part thereof shall to the full extent consistent with law continue in full force and effect.

11. HEADINGS FOR REFERENCE ONLY

The headings of sections and paragraphs herein are included solely for convenience of reference and shall not control the meaning or interpretation of any of the provisions of this Agreement.

12. GOVERNING LAW

This Agreement shall be governed by the laws of the State of New York but only to the extent not superseded by federal law.

13. ARBITRATION

Any dispute or controversy arising under or in connection with this Agreement shall be settled exclusively by binding arbitration, as an alternative to civil litigation and without any trial by jury to resolve such claims, conducted by a single arbitrator, mutually acceptable to the Bank and Executive, sitting in a location selected by the Bank within fifty (50) miles from the main office of the Bank, in accordance with the rules of the American Arbitration Bank's National Rules for the Resolution of Employment Disputes then in effect. Judgment may be entered on the arbitrator's award in any court having jurisdiction.

14. PAYMENT OF LEGAL FEES

To the extent that such payment(s) may be made without triggering penalty under Code Section 409A, all reasonable legal fees paid or incurred by Executive pursuant to any dispute or question of interpretation relating to this Agreement shall be paid or reimbursed by the Bank, provided that the dispute or interpretation has been resolved in Executive's favor, and such reimbursement shall occur no later than sixty (60) days after the end of the year in which the dispute is settled or resolved in Executive's favor.

15. OBLIGATIONS OF BANK

The termination of Executive's employment, other than following a Change in Control, shall not result in any obligation of the Bank under this Agreement.

16. SUCCESSORS AND ASSIGNS

The Bank shall require any successor or assignee, whether direct or indirect, by purchase, merger, consolidation or otherwise, to all or substantially all the business or assets of the Bank, expressly and unconditionally to assume and agree to perform the Bank's obligations under this Agreement, in the same manner and to the same extent that the Bank would be required to perform if no such succession or assignment had taken place.

[Signature Page Follows]

IN WITNESS WHEREOF, the Company and Bank have caused this Agreement to be executed by its duly authorized executive, and Executive has signed this Agreement, as of the Effective Date.

PATHFINDER BANCORP, INC.

By: /s/ James A. Dowd
Name: James A. Dowd
Title: President and Chief Executive Officer

PATHFINDER BANK

By: /s/ James A. Dowd
Name: James A. Dowd
Title: President and Chief Executive Officer

EXECUTIVE

/s/ Justin Bigham
Justin Bigham