

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 2, 2024

PATHFINDER BANCORP, INC.

(Exact name of Registrant as specified in its charter)

Commission File Number: 001-36695

Maryland
(State or Other Jurisdiction of Incorporation or Organization)

38-3941859
(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:

<u>Title of each class</u>	<u>Trading Symbol(s)</u>	<u>Name of each exchange on which registered</u>
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 1.01- Entry into a Material Definitive Agreement

On May 8, 2019, Pathfinder Bancorp, Inc. (the “Company”) entered into a Securities Purchase Agreement with Castle Creek Capital Partners VII, L.P. (“Castle Creek”), pursuant to which the Company sold Castle Creek certain securities of the Company in a private placement. In connection with the private placement, the Company entered into a registration rights agreement with Castle Creek, also dated as of May 8, 2019 (the “Registration Rights Agreement”). Pursuant to the terms of the Registration Rights Agreement, the Company agreed to file a resale registration statement by no later than May 8, 2023 to register the resale of the securities. On May 8, 2023, the Company and Castle Creek agreed to amend the Registration Rights Agreement to allow the Company to file a resale registration statement by no later than May 8, 2024 to register the resale of the securities.

On May 6, 2024, the Company and Castle Creek agreed to amend the Registration Rights Agreement to allow the Company to file a resale registration statement by no later than May 8, 2025 to register the resale of the securities.

The foregoing description of the Second Amendment to the Registration Rights Agreement does not purport to be complete and is qualified in its entirety by the full text of the Second Amendment to the Registration Rights Agreement attached as Exhibit 10.1 hereto.

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

On May 2, 2024, Walter F. Rusnak, Senior Vice President and Chief Financial Officer of the Company and Pathfinder Bank (the “Bank”) notified the Company and the Bank of his decision to retire from his positions effective June 28, 2024.

On May 2, 2024, Justin K. Bigham, age 50, was named Senior Vice President and Chief Financial Officer of the Company and the Bank effective June 28, 2024. Mr. Bigham was formerly the Executive Vice President and Chief Community Banking Officer of Financial Institutions, Inc. and Five Star Bank from February 2021 until December 2023. He also served as Chief Financial Officer of Financial Institutions, Inc. and Five Star Bank from April 2019 until February 2021. Prior to his time at Five Star Bank, Mr. Bigham served as Director of Financial Planning and Treasury at HealthNow New York and spent six years in senior positions at First Niagara Bank in both finance and business line capacities, following seven years in increasingly responsible positions within the finance division at M&T Bank.

Mr. Bigham is not a party to any transaction with the Company or the Bank that would require disclosure under Item 404(a) of SEC Regulation S-K. Mr. Bigham is eligible to participate in Bank benefit plans such as the Employee Savings Plan, the Employee Stock Ownership Plan and any stockholder approved equity plan. It is anticipated he will enter into a Change in Control Agreement.

On May 8, 2024, the Company issued a press release announcing the retirement of Mr. Rusnak and the appointment of Mr. Bigham, a copy of which is attached herewith as Exhibit 99.1.

On May 7, 2024, the Company and the Bank entered into a Retirement and Consulting Agreement (the “Agreement”) with Walter F. Rusnak (the “Consultant”), whose retirement as Senior Vice President and Chief Financial Officer will become effective as of June 28, 2024. The term of the Agreement will begin on June 29, 2024, and automatically end as of December 31, 2024, unless terminated earlier by mutual agreement of the parties, or upon the Consultant’s death, disability, or termination for cause. During the term of the Agreement, the Consultant will assist with the transition of the successor Chief Financial Officer of the Company and the Bank and continue to assist with managing the Bank’s investment securities portfolio and overall balance sheet management, provided that the expected level of consulting services provided under the Agreement will not exceed twenty (20) hours per week. The Bank will pay a consulting fee of \$10,750 per month.

The foregoing description of the Agreement does not purport to be complete and is qualified in its entirety by reference to the Retirement and Consulting Agreement attached hereto as Exhibit 10.2 of this Current Report on Form 8-K and incorporated by reference.

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 Second Amendment to the Registration Rights Agreement](#)

[10.2 Retirement and Consulting Agreement between Pathfinder Bancorp, Inc., Pathfinder Bank and Walter F. Rusnak](#)

[99.1 Press Release, dated May 8, 2024](#)

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: May 8, 2024

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

SECOND AMENDMENT TO THE REGISTRATION RIGHTS AGREEMENT

THIS SECOND AMENDMENT TO THE REGISTRATION RIGHTS AGREEMENT, dated as of May 6, 2024 (the "Amendment"), by and between Pathfinder Bancorp, Inc., a Maryland corporation (the "Company") and Castle Creek Capital Partners VII, LP ("Castle Creek"). Each of the capitalized terms contained in this Amendment, but not specifically defined in this Amendment, shall have the meanings ascribed to such terms in the Agreement as defined below.

RECITALS

WHEREAS, the Company and Castle Creek are parties to that certain Registration Rights Agreement, dated as of May 8, 2019 (the "Agreement");

WHEREAS, the Agreement was made pursuant to the Securities Purchase Agreement, dated as of May 8, 2019, by and between the Company and Castle Creek;

WHEREAS, the Company and Castle Creek agreed to amend the Agreement as of May 8, 2023 to extend the Filing Deadline (as defined below) by one year; and

WHEREAS, the parties to the Agreement desire to amend the Agreement as set forth herein.

NOW, THEREFORE, in consideration of the premises, and for other good and valuable consideration, the receipt and legal sufficiency of which are hereby acknowledged, the parties hereby agree as follows:

1. Amendment to the definition of Filing Deadline: The definition of the term "Filing Deadline" in Section 1 of the Agreement is hereby amended and replaced in its entirety as follows:

"Filing Deadline" means, with respect to the Initial Registration Statement required to be filed pursuant to Section 2(a), the date that is the sixth (6th) anniversary of the Closing Date, provided, that if the Filing Deadline falls on a Saturday, Sunday or other day that the Commission is closed for business, the Filing Deadline shall be extended to the next Business Day on which the Commission is open for business.

2. No Further Amendments. Except as expressly amended and restated hereby, the Agreement is in all respects ratified and confirmed, and all the terms, conditions and provisions thereof shall remain in full force and effect. This Amendment is limited precisely as written and shall not be deemed to be an amendment to any other term or condition of the Agreement or any of the documents referred to therein.

3. Effect of Amendment. Each party hereto shall be bound by the terms of this Amendment. From and after the execution of this Amendment by the parties hereto, any reference to the Agreement shall be deemed a reference to the Agreement as amended and restated hereby.

4. Counterparts. This Amendment may be executed in two or more counterparts (including by facsimile or other electronic means), all of which shall be considered one and the

same agreement and shall become effective when counterparts have been signed by each of the parties and delivered to the other party, it being understood that each party need not sign the same counterpart.

5. Severability. Whenever possible, each provision or portion of any provision of this Amendment shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision or portion of any provision of this Amendment is held to be invalid, illegal or unenforceable in any respect under any applicable law or rule in any jurisdiction, such invalidity, illegality or unenforceability shall not affect any other provision or portion of any provision in such jurisdiction, and this Amendment shall be reformed, construed and enforced in such jurisdiction as if such invalid, illegal or unenforceable provision or portion of any provision had never been contained herein.

6. Governing Law. This Amendment and all disputes or controversies arising out of or relating to this Amendment or the transactions contemplated hereby shall be governed by, and construed in accordance with, the laws of the State of Delaware, without regard to the conflict of law principles thereof, except to the extent that federal law applies.

7. Headings. The headings used in this Amendment are inserted for purposes of convenience of reference only and shall not limit or define the meaning of any provisions of this Amendment.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, the parties have caused this Amendment to be executed by their duly authorized officers as of the day and year first above written.

Pathfinder Bancorp, Inc.

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

Castle Creek Capital Partners VII, LP

By: Castle Creek Capital Partners VII LLC, its general partner

By: /s/ Tony Scavuzzo
Tony Scavuzzo
Principal

RETIREMENT AND CONSULTING AGREEMENT

THIS RETIREMENT AND CONSULTING AGREEMENT, dated as of May 7, 2024 (this “Agreement”), is made and entered into by and between Pathfinder Bancorp, Inc. (the “Company”), Pathfinder Bank, a wholly-owned subsidiary of the Company (the “Bank”), and Walter F. Rusnak (“Executive”).

WHEREAS, Executive is employed by the Company and the Bank as Senior Vice President and Chief Financial Officer; and

WHEREAS, Executive has notified the Company and the Bank of his intent to voluntarily retire from employment with the Company and the Bank, effective as the Retirement Date (as defined below).

NOW, THEREFORE, the parties hereby acknowledge the following in connection with Executive’s Retirement (as defined below):

Section 1. Retirement. Effective as of June 28, 2024 (the “Retirement Date”), Executive hereby retires as Senior Vice President and Chief Financial Officer of the Company and the Bank, and from all other positions, including as an officer, director or committee member, with any subsidiary or affiliate of either the Company or the Bank (“Retirement”). As of the Retirement Date, Executive hereby relinquishes any power of attorney, signing authority, trust authorization or bank account signatory authorization that Executive may hold on behalf of the Company, the Bank or their affiliates.

Section 2. Change in Control Agreement. At the Retirement Date, the Executive acknowledges that the Change in Control Agreement entered into with the Company and the Bank, dated as of July 29, 2019, shall terminate and have no further force or effect.

Section 3. Consulting.

(a) Consulting Period. Executive shall render the Services (as defined below) for the period beginning the day immediately following the Retirement Date and ending on December 31, 2024, unless earlier terminated in accordance with Section 3(e) (the “Consulting Period”).

(b) Services. During the Consulting Period, Executive shall provide general advisory services as reasonably requested by the Chief Executive Officer or Chief Financial Officer, including assisting the Company and the Bank with the transitioning of Executive’s duties and responsibilities to Executive’s successor, assisting with managing the Bank’s investment portfolio and balance sheet, and related financials (the “Services”). During the Consulting Period, Executive shall provide the Services at such times and in such locations as mutually agreed between the parties, provided, however, that Executive shall be permitted to perform the Services remotely. In no event shall Executive be required to render more than twenty (20) hours of service a week during the Consulting Period.

(c) Remuneration.

(i) Consulting Fees. In consideration for agreeing to provide the Services, Executive shall receive a total gross payment of \$10,750.00, which shall be paid monthly in arrears, with the first monthly payment being \$10,750.00, and thereafter equal monthly payments of \$10,750.00 over the Consulting Period, subject to Executive's continued compliance with this Agreement (the "Consulting Fees").

(ii) Expenses. The Bank shall reimburse Executive pursuant to the Bank's reimbursement policies as in effect from time to time for senior executives for reasonable business expenses incurred by Executive in connection with the performance of the Services.

(iii) No Benefits. Except as specifically provided in this Agreement, Executive shall be entitled to no compensation or benefits from the Company, the Bank or their affiliates with respect to the Services, including, without limitation, any bonus or equity awards or other long-term incentive awards, and shall not be credited with any service, age, or other credit for purposes of eligibility, vesting, or benefit accrual under any employee benefit plan of the Company, the Bank or their affiliates.

(d) Status as a Non-Employee. The Company, the Bank and Executive acknowledge and agree that, in performing the Services pursuant to this Agreement, Executive shall be acting and shall act at all times as an independent contractor only and not as an employee, agent, partner, or joint venturer of the Company, the Bank or their affiliates. Executive acknowledges that he is and shall be solely responsible for the payment of all federal, state, and local taxes that are required by applicable laws or regulations to be paid with respect to his Consulting Fees.

(e) Termination of Consulting Period.

(i) Termination. Either the Company, the Bank or Executive may terminate the Consulting Period at any time and for any reason (or no reason) by providing the other party with ten (10) days' advance written notice of such termination.

(ii) Payments upon Termination. Upon termination of the Consulting Period for any reason, the Company or the Bank shall pay to Executive any unpaid Consulting Fees for Services rendered through the date of termination (which such fees shall be pro-rated to the extent such termination is effective at a date other than the last day of a month). Any amounts payable upon termination shall be paid within 10 business days following the date of termination. For purposes of this Agreement, "Cause" shall mean a material breach by Executive of this Agreement, which the breach remains uncured after notice from the Company or the Bank and a reasonable opportunity to cure. Upon the death of the Executive, this Agreement shall terminate and no further payments shall be made to Executive except for the monthly installment for the month in which Executive's death occurred.

Section 5. General Provisions.

- (a) Non-Assignability. This Agreement may not be assigned by Executive.
- (b) Binding on Successors and Assigns. The terms of this Agreement shall be binding upon the parties hereto and their respective heirs, personal representatives, successors and permitted assigns, including any successor employer to the Company and/or the Bank in the event of a change in control.
- (c) Entire Agreement. This Agreement and any other benefit plan or agreement referenced in this Agreement represent the entire understanding of the parties with respect to the subject matter hereof and supersedes all prior understandings, written or oral. The terms of this Agreement may be changed, modified or discharged only by an instrument in writing signed by the parties hereto.
- (d) Governing Law. This Agreement shall in all respects be interpreted, enforced, and governed under the laws of the State of New York without regard to conflict of laws provisions.
- (e) Notices. 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:
- If to the Company and/or the Bank:**
Pathfinder Bancorp, Inc.
214 West First Street
Oswego, NY 13126
Attn: President and Chief Executive Officer
- If to Executive:** At the most recent address listed in the Bank's records.
- (f) 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.
- (g) Counterparts. This Agreement may be executed in one or more counterparts, each of which counterpart, when so executed and delivered, will be deemed an original and all of which counterparts, taken together, will constitute but one and the same agreement.
- (h) Tax Withholding. The Company or the Bank shall withhold from the amounts payable under this Agreement such federal, state and/or local taxes as shall be required to be withheld pursuant to any applicable law or regulation.
- (i) Mutual Non-Disparagement. Each party agrees, without limitation as to time, to refrain from making any statement which would tend to disparage or injure the reputation of the other party.

(j) 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 Company, the Bank and Executive, sitting in a location selected by the Bank within 50 miles from the main office of the Bank, in accordance with the rules of the American Arbitration Association'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. The cost of the arbitrator shall be paid by the Company or the Bank; all other costs of arbitration shall be borne by the respective parties.

[Signature Page Follows]

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

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/ Walter F. Rusnak
Walter F. Rusnak

Investor/Media Contacts

James A. Dowd, President, CEO

Walter F. Rusnak, Senior Vice President, CFO

Telephone: (315) 343-0057

Pathfinder Bancorp, Inc. Announces the Retirement of Chief Financial Officer and Names Successor

OSWEGO, N.Y., May 8, 2024 -- Pathfinder Bancorp, Inc. ("Pathfinder") (NASDAQ: PBHC) today announced that Walter F. Rusnak, CPA, 70, Senior Vice President and Chief Financial Officer, will retire from the role after a career spanning more than forty years in finance effective June 28, 2024. Justin K. Bigham, CPA, 50, has been named to succeed Rusnak as Senior Vice President, Chief Financial Officer. Rusnak will remain with the company in an advisory capacity to ensure a smooth transition and to continue to oversee the Bank's investment securities portfolio and overall balance sheet management.

James A. Dowd, President and Chief Executive Officer, said, "Walter has been a great asset to Pathfinder Bank. His excellent judgment and deep expertise has contributed to the success of Pathfinder's major strategic initiatives and growth over the past decade, including our common stock offering in 2019, the formulation of our current strategic plan and strategic objectives, enhancing our internal and external financial reporting, upgrading and modernizing our current financial reporting software, and he played, and continues to play, a very large role in our successful bid to acquire the East Syracuse branch of Berkshire Bank.. These actions have fundamentally transformed the Bank and have driven significant shareholder value. On behalf of the Board and the Company leadership, I want to thank Walter for his contributions and friendship and wish him well as he enters his hard earned retirement."

Rusnak joined Pathfinder Bank in 2015 and has held a number of positions in accounting and finance, including Vice President of Finance and First Vice President of Finance and Accounting.

Prior to his time at Pathfinder Bank, Rusnak was an advisory board member and founding principal of Ovitz Corporation, where he advised and supported the financial operations and corporate governance in a start-up medical device company and has held several roles in publicly traded banks and regional credit unions across the country. Rusnak is a CPA and received his MBA in Finance from the State University of New York, Buffalo with a Bachelor of Science degree in Accounting from Canisius College.

Bigham comes to Pathfinder Bank with more than 25 years' experience and an impressive background in Financial Services. Bigham has served in several key roles at various large

public companies including his most recent position as Executive Vice President and Chief Community Banking Officer at Five Star Bank, after serving previously as their Chief Financial Officer. Prior to his time at Five Star Bank, he served as Director of Financial Planning and Treasury at HealthNow New York and spent six years in senior positions at First Niagara in both finance and business line capacities, following seven years in increasingly responsible positions within the Finance Division at M&T Bank.

Bigham earned a Bachelor of Business Administration degree from St. Bonaventure University and is a Certified Public Accountant.

Commenting on the appointment, Dowd states, “Justin brings deep financial expertise and a broad understanding of the banking sector, including a wealth of knowledge and experience across accounting, retail banking, branch systems, small business banking, wealth management, and marketing. Justin’s experience, leadership skills, and shared values will help drive our strategy and growth ambitions and deliver value. I am excited to work with Justin and welcome him to the Pathfinder family.”

Pathfinder Bank extends a thank you to Travillian, a national executive recruiting firm specializing in the financial services sector, for their help in sourcing and securing the CFO position through a comprehensive nationwide search.

About Pathfinder Bank: Pathfinder Bancorp, Inc. (NASDAQ: PBHC), a Maryland corporation headquartered in Oswego, New York, is the parent company for Pathfinder Bank. Pathfinder Bank is a \$1.5 billion commercial bank chartered by the New York State Department of Financial Services. Pathfinder was founded in 1859 and currently operates 11 full-service offices located in its market areas consisting of Oswego and Onondaga Counties and one limited purpose office in Oneida County. Through Pathfinder is focused on serving the needs of businesses and community members with high quality products and unsurpassed service. More information about Pathfinder Bancorp, Inc. can be accessed online at www.Pathfinderbank.com. Member FDIC.