Section 1: 8-K (FORM 8-K)

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): July 17, 2019

Pioneer Bancorp, Inc.
(Exact Name of Registrant as Specified in Charter)

Maryland	001-38991	83-4274253
(State or Other Jurisdiction of Incorporation)	(Commission File No.)	(I.R.S. Employer Identification No.)

652 Albany Shaker Road, Albany, New York	12211
(Address of Principal Executive Offices)	(Zip Code)

Registrant's telephone number, including area code: (518) 730-3999

Not Applicable
(Former name or former address, if changed since last report)

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

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, par value $0.01	PBFS	The Nasdaq Stock Market, LLC

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

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

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

(e) ***Employment Agreement with Thomas L. Amell.*** On July 17, 2019, Pioneer Bank, the wholly-owned subsidiary of Pioneer Bancorp, Inc. (the "Company") entered into an employment agreement with Mr. Amell. The employment agreement has an initial term that ends on December 31, 2021. The initial term will extend automatically for one additional year on January 1 of each year beginning January 1, 2020 unless either Pioneer Bank or Mr. Amell give notice no later than 30 days before the anniversary date that the term will not be renewed. At least 30 days prior to each anniversary date of the employment agreement, disinterested members of the board of directors of Pioneer Bank will conduct a comprehensive performance evaluation and review of Mr. Amell's performance for purposes of determining whether to take action to not renew the employment agreement.

The employment agreement specifies Mr. Amell's base salary, which initially will be $651,182. The compensation committee of the board of directors (the "Compensation Committee") may increase, but not decrease, Mr. Amell's base salary. In addition to the base salary, the agreement provides that Mr. Amell will be eligible to participate in any bonus plan or arrangement of Pioneer Bank in which senior management is eligible to participate and/or may receive a bonus on a discretionary basis, as determined by the Compensation Committee. Mr. Amell is also entitled to participate in all employee benefit plans, arrangements and perquisites offered to employees and officers of Pioneer Bank and the reimbursement of reasonable travel and other business expenses incurred in the performance of his duties with Pioneer Bank, including memberships in organizations as Mr. Amell and the board mutually agree are necessary and appropriate.

Pioneer Bank may terminate the executive's employment, and Mr. Amell may resign, at any time with or without good reason. In the event of Mr. Amell's (1) termination without cause other than due to death or disability, or (2) voluntary resignation for good reason (a "qualifying termination event"), Pioneer Bank would pay Mr. Amell a cash lump sum payment equal to the base salary he would have earned had he remained employed for the greater of: (1) the remaining term of the employment agreement; or (2) 12 months (the "benefits period"). In addition, Mr. Amell would receive non-taxable medical and dental insurance coverage under Pioneer Bank's group health plan at the same cost-sharing arrangement in effect as of the date of determination during the benefits period or, if earlier, until Mr. Amell receives substantially comparable health and welfare coverage from another employer. A "good reason" condition for purposes of the employment agreement would include a material reduction in base salary, a material reduction in authority, duties or responsibilities associated with Mr. Amell's position with Pioneer Bank, a relocation of Mr. Amell's principal place of employment by more than 35 miles from Pioneer Bank's main office or a material breach of the employment agreement by Pioneer Bank.

In the event Mr. Amell's qualifying termination event occurs on or after a change in control of the Company or Pioneer Bank, Mr. Amell would be entitled to (in lieu of the payments and benefits described in the previous paragraph) a severance payment equal to three times the sum of his: (1) base salary in effect as of the date of his termination or immediately prior to the change in control, whichever is higher; and (2) the highest annual cash bonus earned for the three most recently completed performance periods prior to the change in control. Such payment will be made in a cash lump sum within 30 days following the Mr. Amell's date of termination. In addition, Pioneer Bank (or its successor) will continue to provide Mr. Amell with life insurance and non-taxable medical and dental insurance coverage substantially comparable to the coverage provided to him immediately before his date of termination at no cost to Mr. Amell. Such continued coverage will cease upon the earlier of: (1) 36 months after the date of termination; or (2) the date on which Mr. Amell becomes a full-time employee of another employer and receives comparable health and welfare benefits.

The reorganization of Pioneer Bank into the mutual holding company structure or the conversion of Pioneer Bancorp, MHC from mutual to stock form and a contemporaneous stock offering of a newly-formed stock holding company are not considered change in control events for purposes of the employment agreement.

The employment agreement would immediately terminate upon the earlier of Mr. Amell's voluntary resignation without good reason, death or disability, and Pioneer Bank would have no obligation to pay any additional severance benefits to Mr. Amell under the employment agreement.

Upon termination of employment (other than a termination in connection with a change in control), Mr. Amell will be required to adhere to one-year non-competition and non-solicitation restrictions set forth in his employment agreement.

Change in Control Agreements. Pioneer Bank entered into individual change in control agreements with its six other executive officers, including Frank C. Sarratori, Executive Vice President, Chief Administrative Officer, General Counsel and Corporate Secretary, Jesse Tomczak, Executive Vice President and Chief Customer Experiences Officer, and Patrick J. Hughes, Executive Vice President and Chief Financial Officer. The change in control agreements have terms that initially end on December 31, 2020. Each agreement will extend automatically for one additional year on January 1 of each year beginning January 1, 2020 so that the remaining term is two years unless either Pioneer Bank or the executive gives notice no later than 30 days before such anniversary date that the agreement will not be renewed. At least 30 days prior to each anniversary date of the change in control agreements, disinterested members of the board of directors of Pioneer Bank will conduct a comprehensive performance evaluation and review of each executive's performance for purposes of determining whether to not renew the executive's change in control agreement. Notwithstanding the foregoing, in the event that the Company or Pioneer Bank enters into a transaction that would be considered a change in control as defined under the agreements, the term of the agreements would extend automatically so that they would expire no less than two years beyond the effective date of the change in control.

In the event of the executive's involuntary termination of employment other than for cause, disability or death, or voluntary resignation for "good reason" on or after the effective date of a change in control of the Company or Pioneer Bank, each executive would be entitled to a severance payment equal to two times the sum of the executive's: (1) base salary in effect as of the date of his termination or immediately prior to the change in control, whichever is higher; and (2) the highest annual cash bonus earned for the three most recently completed performance periods prior to the change in control. Such payment will be made in a cash lump sum within 30 days following the executive's date of termination. In addition, Pioneer Bank (or its successor) will continue to provide each executive with life insurance and non-taxable medical and dental insurance coverage substantially comparable to the coverage provided to him or her immediately before the date of termination at no cost to the executive. Such continued coverage will cease upon the earlier of: (1) 24 months after the date of termination; or (2) the date on which the executive becomes a full-time employee of another employer and receives comparable health and welfare benefits.

A “good reason” condition for purposes of each change in control agreement would include a material reduction in base salary, a material reduction in authority, duties or responsibilities associated with the executive’s position with Pioneer Bank, a relocation of the executive’s principal place of employment by more than 35 miles from Pioneer Bank’s main office or a material breach of the change in control agreement by Pioneer Bank.

The reorganization of Pioneer Bank into the mutual holding company structure or the conversion of Pioneer Bancorp, MHC from mutual to stock form and a contemporaneous stock offering of a newly-formed stock holding company are not considered change in control events for purposes of the change in control agreements.

The foregoing descriptions of the employment agreement and change in control agreements do not purport to be complete and are qualified in their entirety by reference to the agreements attached hereto as Exhibits 10.1, 10.2, 10.3 and 10.4 of this Current Report on Form 8-K and are incorporated by reference into this Item 5.02.

Item 8.01 Other Events

On July 17, 2019, the Company announced that Pioneer Bank has completed its reorganization into the mutual holding company structure and that the Company has closed its initial public stock offering. A copy of the press release is included herein as Exhibit 99.1.

Item 9.01 Financial Statements and Exhibits

(a) Financial Statements of Businesses Acquired. Not applicable.

(b) Pro Forma Financial Information. Not applicable.

(c) Shell Company Transactions. Not applicable.

(d) Exhibits.

Exhibit No.	Description
10.1	Employment Agreement between Pioneer Bank and Thomas L. Amell dated July 17, 2019
10.2	Change in Control Agreement between Pioneer Bank and Frank C. Sarratori dated July 17, 2019
10.3	Change in Control Agreement between Pioneer Bank and Jesse Tomczak dated July 17, 2019
10.4	Change in Control Agreement between Pioneer Bank and Patrick J. Hughes dated July 17, 2019
99.1	Press Release dated July 17, 2019

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.

PIONEER BANCORP, INC.

DATE: July 17, 2019

By: /s/ Thomas L. Amell
Thomas L. Amell
President and Chief Executive Officer

(Back To Top)

Section 2: EX-10.1 (EXHIBIT 10.1)

Exhibit 10.1

EXECUTION VERSION

EMPLOYMENT AGREEMENT

This Employment Agreement (the "Agreement") is made and entered into, effective as of July 17, 2019 (the "Effective Date"), by and between Pioneer Bank, a New York-chartered stock savings bank (the "Bank") and Thomas L. Amell ("Executive"). Any reference to the "Company" shall mean Pioneer Bancorp, Inc., the newly-formed the stock holding company of the Bank, or any successor thereto.

RECITALS

WHEREAS, the Bank desires to continue to employ the Executive in an executive capacity in the conduct of its businesses, and the Executive desires to be so employed on the terms contained herein;

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 of this Agreement, Executive agrees to serve as President and Chief Executive Officer of the Bank and the Company or any successor executive position with the Bank and the Company that is agreed to and consented by Executive (the "Executive Position"), and will perform the duties and will have all powers associated with 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 Bank (the "Board"). As President and Chief Executive Officer, Executive will report directly to the Board. During the period provided in this Agreement, Executive also agrees to serve, if elected, as an officer, director or trustee of any subsidiary or affiliate of the Bank and in such capacity carry out such duties and responsibilities reasonably appropriate to that office.

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

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

2. TERM.

(a) **Term and Annual Renewal**. The term of this Agreement and the period of Executive's employment hereunder will begin as of the Effective Date and will continue through December 31, 2021 (the "Term"). Commencing on January 1, 2020 and continuing on each January 1st thereafter (the "Renewal Date"), the Term will extend automatically for one additional year, so that the Term will be three (3) years from such Renewal Date, unless either the Bank or Executive by written notice to the other given at least 30 days prior to such Renewal Date notifies the other of its intent not to extend the same. In the event that notice not to extend is given by either the Bank or the Executive, this Agreement will terminate as of the last day of the then current Term. For avoidance of doubt, any extension to the Term will become the "Term" for purposes of this Agreement.

At least 30 days prior to the Renewal Date, the disinterested members of the Board will conduct a comprehensive performance evaluation and review of 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 Board's meeting.

(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 under Section 5 hereof, the Term of this Agreement will be extended automatically so that it is scheduled to expire no less than two (2) years beyond the effective date of the Change in Control, subject to extensions as set forth above.

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

3. COMPENSATION, BENEFITS AND REIMBURSEMENT.

(a) **Base Salary**. In consideration of Executive's performance of the responsibilities and duties set forth in this Agreement, Executive shall receive an annual base salary of $651,182 per year ("Base Salary"). Such Base Salary will be payable in accordance with the customary payroll practices of the Bank. During the term of this Agreement, the Board (or the Compensation Committee of the Board (the "Committee")) may increase, but not decrease, Executive's Base Salary. Any increase in Base Salary will become the "Base Salary" for purposes of this Agreement.

(b) **Bonus and Incentive Compensation**. Executive (1) 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 Executive in accordance with such plan or arrangement; and/or (2) may receive a bonus, if any, on a discretionary basis, as determined by the Board or the Committee.

(c) **Benefit Plans**. Executive will be entitled to participate in all employee benefit plans, arrangements and perquisites offered to employees and officers of the Bank, on the same terms and conditions as such plans are available to other employees and officers of the Bank. Without limiting the generality of the foregoing provisions of this Section 3(c), 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 management employees, subject to and on a basis consistent with the terms, conditions and overall administration of such plans and arrangements as applicable to other management employees.

(d) **Vacation**. Executive will be entitled to paid vacation time each year during the term of this Agreement measured on a calendar year basis, in accordance with the Bank's customary practices, as well as sick leave, holidays and other paid absences in accordance with the Bank's policies and procedures for officers. 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) **Expense Reimbursements**. The Bank will reimburse Executive for all reasonable travel, entertainment and other reasonable expenses incurred by Executive during the course of performing Executive's obligations under this Agreement, including, without limitation, fees for memberships in such organizations as Executive and the Board mutually agree are necessary and appropriate in connection with the performance of Executive's duties under this Agreement. All reimbursements shall be made as soon as practicable upon substantiation of such expenses by Executive in accordance with the applicable policies and procedures of the Bank.

4. TERMINATION AND TERMINATION PAY.

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

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

For purposes of this Agreement, "Accrued Obligations" means the sum of : (i) any Base Salary earned through the Executive's Date of Termination, (ii) unpaid expense reimbursements (subject to, and in accordance with, Section 3(e) of this Agreement), (iii) unused paid time off that accrued through the Date of Termination, (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 shall be paid and/or provided in accordance with the terms of such employee benefit plans. Unless otherwise provided by the applicable employee benefit plan, the Accrued Obligations, if any, will be paid to Executive (or Executive's estate or beneficiary) within 30 days following Executive's Date of Termination.

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

(c) **Termination for Cause**. The Board may immediately terminate Executive's employment and this Agreement at any time for "Cause." In the event Executive's employment is terminated for Cause, the Bank's sole obligation will be to pay or provide to Executive any Accrued Obligations. Termination for "Cause" means termination because of, in the good faith determination of the Board, Executive's:

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

(ii) 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;

(iii) breach of fiduciary duty involving personal profit;

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

(v) 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; or any violation of the policies and procedures of the Bank as outlined in the Bank's employee handbook, which would result in termination of the Bank employees, as from time to time amended and incorporated herein by reference; or

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

Any determination of Cause under this Agreement will be made by resolution adopted by at least two-thirds vote of the disinterested members of the Board at a meeting called and held for that purpose. Executive will be provided with reasonable notice of such meeting and Executive will be given an opportunity to be heard before such vote is taken by the disinterested members of the Board.

(d) **Resignation by Executive without Good Reason**. Executive may resign from employment during the term of this Agreement without Good Reason upon at least 30 days prior written notice to the Board, provided, however, that the Bank may accelerate the Date of Termination upon receipt of written notice of Executive's resignation. In the event Executive resigns without Good Reason, the Bank's sole obligation under this Agreement will be to pay or provide to Executive any Accrued Obligations.

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

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

(A) any Accrued Obligations;

(B) a cash lump sum payment equal to the amount of Base Salary that Executive would have earned had Executive remained employed for the greater of: (1) the remaining Term; or (2) 12 months (the "Benefits Period"); and

(C) non-taxable medical and dental insurance coverage substantially comparable (and on substantially the same terms and conditions) to the coverage maintained by the Bank for Executive immediately prior to Executive's termination under the same cost-sharing arrangements that apply for active employees of the Bank as of Executive's Date of Termination. Such continued coverage will cease upon the earlier of: (1) the completion of the Benefit Period; or (2) the date on which Executive becomes a full-time employee of another employer, provided Executive is entitled to benefits that are substantially similar to the health and welfare benefits provided by the Bank. The period of continued health coverage required by Section 4980B(f) of the Internal Revenue Code of 1986, as amended (the "Code"), will run concurrently with the coverage period provided herein.

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

(A) a material reduction in Executive's Base Salary;

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

(C) the Bank requiring Executive to be based at any office or location resulting in an increase in Executive's commute of 35 miles or more; or

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

(iii) Notwithstanding anything to the contrary in Section 4(e)(i), Executive will not receive any payments or benefits under this Section 4(e) unless and until 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 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 60th 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 Code Section 409A, the payments and benefits described in this Section 4(e) will be paid, or commence, in the second calendar year.

(f) **Effect on Status as a Director**. In the event of Executive's termination of employment under this Agreement for any reason, such termination will also constitute Executive's resignation as a director of the Bank or the Company, or as a director or trustee of any subsidiary or affiliate thereof, to the extent Executive is acting as a director or trustee of any of the aforementioned entities.

(g) **Notice; Effective Date of Termination**. Notice of Termination of employment under this Agreement must be communicated by or to Executive or the Bank, as applicable, in accordance with Section 17. "Date of Termination" as referenced in this Agreement means 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 Executive of 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 termination of Executive's employment for Cause; (iii) immediately upon Executive's death or Disability; or (iv) 30 days after Executive gives written notice to the Bank of 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 Executive's resignation shall be effective as of such date.

5. CHANGE IN CONTROL.

(a) **Change in Control Defined**. For purposes of this Agreement, the term "Change in Control" means: (i) a change in the ownership of the Corporation; (ii) a change in the effective control of the Corporation; or (iii) a change in the ownership of a substantial portion of the assets of the Corporation as defined in accordance with Code Section 409A. For purposes of this Section 5(a), the term "Corporation" is defined to include the Bank, the Company or any of their successors, as applicable.

(i) A change in the ownership of a Corporation occurs on the date that any one person, or more than one person acting as a group (as defined in Treasury Regulation 1.409A-3(i)(5)(v)(B)), acquires ownership of stock of the Corporation that, together with stock held by such person or group, constitutes more than 50 percent of the total fair market value or total voting power of the stock of such Corporation.

(ii) A change in the effective control of the Corporation occurs on the date that either (A) any one person, or more than one person acting as a group (as defined in Treasury Regulation 1.409A-3(i)(5)(vi)(D)) acquires (or has acquired during the 12-month period ending on the date of the most recent acquisition by such person or persons) ownership of stock of the Corporation possessing 30 percent or more of the total voting power of the stock of the Corporation, or (B) a majority of the members of the Board is replaced during any 12-month period by directors whose appointment or election is not endorsed by a majority of the members of the Board prior to the date of the appointment or election, provided that this subsection "(B)" is inapplicable where a majority stockholder of the Corporation is another corporation.

(iii) A change in a substantial portion of the Corporation's assets occurs on the date that any one person or more than one person acting as a group (as defined in Treasury Regulation 1.409A-3(i)(5)(vii)(C)) acquires (or has acquired during the 12-month period ending on the date of the most recent acquisition by such person or persons) assets from the Corporation that have a total gross fair market value equal to or more than 40 percent of the total gross fair market value of (A) all of the assets of the Corporation, or (B) the value of the assets being disposed of, either of which is determined without regard to any liabilities associated with such assets. For all purposes hereunder, the definition of Change in Control shall be construed to be consistent with the requirements of Treasury Regulation 1.409A-3(i)(5), except to the extent that such regulations are superseded by subsequent guidance.

Notwithstanding anything herein to the contrary, a Change in Control will not be deemed to have occurred for purposes of this Agreement in connection with the Bank's mutual holding company reorganization and/or minority stock offering of the Company. Similarly, a Change in Control for purposes of this Agreement will not be deemed to have occurred in the event of a second-step conversion of the Bank's mutual holding company from mutual-to-stock form and/or contemporaneous stock offering of a newly-formed stock holding company.

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

(i) any Accrued Obligations;

(ii) a cash lump sum payment (the "Change in Control Severance") in an amount equal to three (3) times the sum of Executive's: (A) Base Salary (or Executive's Base Salary in effect immediately prior to the Change in Control, if higher); and (B) the highest annual cash bonus earned by Executive for the three (3) most recently completed annual performance periods prior to the Change Control. The Change in Control Severance is payable within 30 days following Executive's Date of Termination; and

(iii) life insurance coverage and non-taxable medical and dental insurance coverage substantially comparable to the coverage maintained by the Bank for Executive immediately prior to the Date of Termination at no cost to Executive. Such continued coverage will cease upon the earlier of: (A) the date which is 36 months following from Executive's Date of Termination; or (B) the date on which Executive becomes a full-time employee of another employer, provided Executive is entitled to benefits that are substantially similar to the health and welfare benefits provided by the Bank. The period of continued health coverage required by Section 4980B(f) of the Code shall not run concurrently with the coverage period provided herein.

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

6. COVENANTS OF EXECUTIVE.

(a) **Non-Solicitation/Non-Compete**. Executive hereby covenants and agrees that during the "Restricted Period," Executive shall 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, 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 within the New York State counties of Albany, Greene, Rensselaer, Saratoga, Schenectady and Warren or in any other county where the Bank has one or more offices or branches; 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 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**. Executive recognizes and acknowledges that 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 Executive acknowledges and agrees that Executive will not, during or after the term of 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**. Executive will, upon reasonable notice, furnish such 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 Executive shall not be required to provide information or assistance with respect to any litigation between Executive and the Bank or any other subsidiaries or affiliates.

(d) **Reliance**. Except as otherwise provided, all payments and benefits to Executive under this Agreement will be subject to 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 Executive's breach of this Section 6, agree that, in the event of any such breach by Executive, the Bank will be entitled, in addition to any other remedies and damages available, to an injunction to restrain the violation hereof by Executive and all persons acting for or with Executive. Executive represents and admits that Executive's experience and capabilities are such that 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 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 any prior employment agreement between the Bank or any predecessor of the Bank and Executive, except that this Agreement shall not affect or operate to reduce any benefit or compensation inuring to Executive under another plan, program or agreement (other than an employment agreement) between the Bank and 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's obligations under this Agreement will be binding on any and all successors or assigns, whether direct or indirect, by purchase, merger, consolidation or otherwise, to all or substantially all the business or assets of the Bank, 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.

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 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 as to any act other than that specifically waived.

11. Applicable law.

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

(a) The Bank may terminate Executive's employment at any time, but any termination by the Bank 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 under this Agreement for any period after 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 such payment or benefit is payable upon the Executive's termination of employment, then such 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 Executive reasonably anticipate that either no further services will be performed by 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 50 percent of the average level of bona fide services in the 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 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 final regulations issued thereunder) and any payment under this Agreement is triggered due to Executive's Separation from Service, then solely to the extent necessary to avoid penalties under Section 409A of the Code, no payment shall be made during the first six (6) months following Executive's Separation from Service. Rather, any payment which would otherwise be paid to Executive during such period shall be accumulated and paid to Executive in a lump sum on the first day of the seventh month following such Separation from Service. All subsequent payments shall be paid in the manner specified in this Agreement.

(e) If the Bank cannot provide Executive or Executive's dependents any continued health insurance or other welfare benefits as required by this Agreement 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 will 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 will be made in a lump sum within 30 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. Notwithstanding the foregoing, if such cash payment would violate the requirements of Treasury Regulation Section 1.409A-3(j), the Executive's cash payment in lieu of the continued health insurance or welfare benefits as required by this Agreement will be payable at the same time the related premium payments would have been paid by the Bank and for the duration of the applicable coverage period.

(f) 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).

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

(h) Notwithstanding anything in this Agreement to the contrary, Executive understands that nothing contained in this Agreement limits 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). Executive further understands that this Agreement does not limit 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 Executive's right to receive any resulting monetary award for information provided to any Government Agency.

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 within 50 miles of Albany, 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 Executive (including Executive's heirs, executors and administrators) with coverage under a standard directors' and officers' liability insurance policy at its expense, and will indemnify Executive (and 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 Executive in connection with or arising out of any action, suit or proceeding in which 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 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:	Pioneer Bank 652 Albany-Shaker Road Albany, New York 12211 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.

PIONEER BANK

By: /s/ Frank C. Sarratori
Name: Frank C. Sarratori
Title: Secretary

EXECUTIVE

/s/ Thomas L. Amell
Thomas L. Amell

(Back To Top)

Section 3: EX-10.2 (EXHIBIT 10.2)

Exhibit 10.2

TWO-YEAR CHANGE IN CONTROL AGREEMENT

This Change in Control Agreement (the "Agreement") is made effective as of the 17th day of July 2019 (the "Effective Date"), by and between Pioneer Bank, a New York-chartered stock savings bank (the "Bank") and Frank C. Sarratori ("Executive"). Any reference to the "Company" shall mean Pioneer Bancorp, Inc., the newly-formed the stock holding company of the Bank, or any successor thereto.

RECITALS

WHEREAS, Executive is currently employed as an executive officer of the Bank;

WHEREAS, the Bank desires to assure itself of the Executive's continued active participation in the business of the Bank; and

WHEREAS, in order to induce Executive to remain in the employ of the Bank and in consideration of Executive's agreeing to remain in the employ of the Bank, the parties desire to specify the severance benefits which shall be due Executive in the event that his employment with the Bank is terminated under specified circumstances.

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

1. TERM OF AGREEMENT.

(a) **Two Year Contract; Annual Renewal**. The term of this Agreement will begin as of the Effective Date and will continue through December 31, 2020 (the "Term"). Commencing on January 1, 2020 and continuing on each January 1st thereafter (the "Renewal Date"), the Term will extend automatically for one additional year, so that the Term will be two (2) years from such Renewal Date, unless either the Bank or Executive by written notice to the other given at least 60 days prior to such Renewal Date notifies the other of its intent not to extend the same. In the event that notice not to extend is given by either the Bank or the Executive, this Agreement will terminate as of the last day of the then current Term. For avoidance of doubt, any extension to the Term will become the "Term" for purposes of this Agreement.

At least 30 days prior to the Renewal Date, the disinterested members of the Board of Directors of the Bank (the "Board") will conduct a comprehensive performance evaluation and review of 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 Board's meeting.

(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 under Section 2(b) hereof, the Term of this Agreement will be extended automatically so that it is scheduled to expire no less than two (2) years beyond the effective date of the Change in Control, subject to extensions as set forth above.

2. DEFINITIONS.

(a) Base Salary. Executive's "Base Salary" for purposes of this Agreement shall mean the annual rate of base salary paid to Executive by the Bank.

(b) Change in Control. For purposes of this Agreement, the term "Change in Control" means: (i) a change in the ownership of the Corporation; (ii) a change in the effective control of the Corporation; or (iii) a change in the ownership of a substantial portion of the assets of the Corporation as defined in accordance with Code Section 409A. For purposes of this Section 2(b), the term "Corporation" is defined to include the Bank, the Company or any of their successors, as applicable.

(i) A change in the ownership of a Corporation occurs on the date that any one person, or more than one person acting as a group (as defined in Treasury Regulation 1.409A-3(i)(5)(v)(B)), acquires ownership of stock of the Corporation that, together with stock held by such person or group, constitutes more than 50 percent of the total fair market value or total voting power of the stock of such Corporation.

(ii) A change in the effective control of the Corporation occurs on the date that either (A) any one person, or more than one person acting as a group (as defined in Treasury Regulation 1.409A-3(i)(5)(vi)(D)) acquires (or has acquired during the 12-month period ending on the date of the most recent acquisition by such person or persons) ownership of stock of the Corporation possessing 30 percent or more of the total voting power of the stock of the Corporation, or (B) a majority of the members of the Board is replaced during any 12-month period by directors whose appointment or election is not endorsed by a majority of the members of the Board prior to the date of the appointment or election, provided that this subsection "(B)" is inapplicable where a majority stockholder of the Corporation is another corporation.

(iii) A change in a substantial portion of the Corporation's assets occurs on the date that any one person or more than one person acting as a group (as defined in Treasury Regulation 1.409A-3(i)(5)(vii)(C)) acquires (or has acquired during the 12-month period ending on the date of the most recent acquisition by such person or persons) assets from the Corporation that have a total gross fair market value equal to or more than 40 percent of the total gross fair market value of (A) all of the assets of the Corporation, or (B) the value of the assets being disposed of, either of which is determined without regard to any liabilities associated with such assets. For all purposes hereunder, the definition of Change in Control shall be construed to be consistent with the requirements of Treasury Regulation 1.409A-3(i)(5), except to the extent that such regulations are superseded by subsequent guidance.

Notwithstanding anything herein to the contrary, a Change in Control will not be deemed to have occurred for purposes of this Agreement in connection with the Bank's mutual holding company reorganization and/or minority stock offering of the Company. Similarly, a Change in Control for purposes of this Agreement will not be deemed to have occurred in the event of a second-step conversion of the Bank's mutual holding company from mutual-to-stock form and/or contemporaneous stock offering of a newly-formed stock holding company.

(c) Code. "Code" shall mean the Internal Revenue Code of 1986, as amended.

(d) Good Reason. "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:

(i) a material reduction in Executive's Base Salary;

(ii) a material reduction in Executive's authority, duties or responsibilities from the position and attributes associated with Executive's executive position with the Bank in effect as of the Effective Date or any successor executive position, as mutually agreed to by the Bank and Executive;

(iii) the Bank requiring Executive to be based at any office or location resulting in an increase in Executive's commute of 35 miles or more; or

(iv) a material breach of this Agreement by the Bank;

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 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 30 days of the date the Bank received the written notice from Executive. If the Bank remedies the condition within such 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 30-day cure period, then Executive may deliver a Notice of Termination for Good Reason at any time within 60 days following the expiration of such cure period.

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

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

(ii) 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;

(iii) breach of fiduciary duty involving personal profit;

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

(v) 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; or any violation of the policies and procedures of the Bank as outlined in the Bank's employee handbook, which would result in termination of the Bank employees, as from time to time amended and incorporated herein by reference; or

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

3. BENEFITS UPON TERMINATION.

Upon the termination of Executive's employment by the Bank (or any successor) without Cause or by Executive with Good Reason during the Term on or after the effective time of a Change in Control, the Bank (or any successor) will pay or provide Executive, or Executive's estate in the event of Executive's subsequent death, with the following:

(i) a cash lump sum payment equal to two (2) times the sum of Executive's: (A) Base Salary (or Executive's Base Salary in effect immediately prior to the Change in Control, if higher); and (B) the highest annual cash bonus earned by Executive for the three (3) most recently completed annual performance periods prior to the Change in Control, payable within 30 days following Executive's Date of Termination; and

(ii) life insurance coverage and non-taxable medical and dental insurance coverage substantially comparable to the coverage maintained by the Bank for Executive immediately prior to the Date of Termination at no cost to Executive. Such continued coverage will cease upon the earlier of: (A) the date which is 24 months following from Executive's Date of Termination; or (B) the date on which Executive becomes a full-time employee of another employer, provided Executive is entitled to benefits that are substantially similar to the health and welfare benefits provided by the Bank. The period of continued health coverage required by Section 4980B(f) of the Code shall not run concurrently with the coverage period provided herein.

4. 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). In no event shall the Date of Termination exceed 30 days from the date the Notice of Termination is given.

5. SOURCE OF PAYMENTS.

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

6. 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.

7. ENTIRE AGREEMENT; MODIFICATION AND WAIVER.

(a) This Agreement contains the entire understanding between the parties hereto and supersedes any prior employment agreement between the Bank or any predecessor of the Bank and Executive, except that this Agreement shall not affect or operate to reduce any benefit or compensation inuring to Executive under another plan, program or agreement (other than an employment agreement) between the Bank and Executive.

(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.

8. 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.

9. 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.

10. 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.

11. ARBITRATION.

Any dispute or controversy arising under or in connection with this Agreement shall be settled exclusively by arbitration, conducted within 50 miles of Albany, 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.

12. 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.

13. 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.

14. 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.

15. CERTAIN APPLICABLE LAW.

(a) The Bank may terminate Executive's employment at any time, but any termination by the Bank 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 under this Agreement for any period after Executive's termination for Cause.

(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 such payment or benefit is payable upon the Executive's termination of employment, then such 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 Executive reasonably anticipate that either no further services will be performed by 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 50 percent of the average level of bona fide services in the 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) If 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 final regulations issued thereunder) and any payment under this Agreement is triggered due to Executive's Separation from Service, then solely to the extent necessary to avoid penalties under Section 409A of the Code, no payment shall be made during the first six (6) months following Executive's Separation from Service. Rather, any payment which would otherwise be paid to Executive during such period shall be accumulated and paid to Executive in a lump sum on the first day of the seventh month following such Separation from Service. All subsequent payments shall be paid in the manner specified in this Agreement.

(e) If the Bank cannot provide Executive or Executive's dependents any continued health insurance or other welfare benefits as required by this Agreement 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 will 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 will be made in a lump sum within 30 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. Notwithstanding the foregoing, if such cash payment would violate the requirements of Treasury Regulation Section 1.409A-3(j), the Executive's cash payment in lieu of the continued health insurance or welfare benefits as required by this Agreement will be payable at the same time the related premium payments would have been paid by the Bank and for the duration of the applicable coverage period.

16. TAX WITHHOLDING.

The Bank may withhold from any amounts payable to 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:	Pioneer Bank 652 Albany-Shaker Road Albany, New York 12211 Attention: Corporate Secretary
To Executive:	Most recent address on file with the Bank

[Signature Page Follows]

SIGNATURES

IN WITNESS WHEREOF, the Bank has caused this Agreement to be executed by its duly authorized officer, and Executive has signed this Agreement, as of the date first written above.

PIONEER BANK

By: /s/ Thomas L. Amell
Name: Thomas L. Amell
Title: President and Chief Executive Officer

EXECUTIVE

/s/ Frank C. Sarratori
Frank C. Sarratori

(Back To Top)

Section 4: EX-10.3 (EXHIBIT 10.3)

Exhibit 10.3

TWO-YEAR CHANGE IN CONTROL AGREEMENT

This Change in Control Agreement (the "Agreement") is made effective as of the 17th day of July 2019 (the "Effective Date"), by and between Pioneer Bank, a New York-chartered stock savings bank (the "Bank") and Jesse Tomczak ("Executive"). Any reference to the "Company" shall mean Pioneer Bancorp, Inc., the newly-formed the stock holding company of the Bank, or any successor thereto.

RECITALS

WHEREAS, Executive is currently employed as an executive officer of the Bank;

WHEREAS, the Bank desires to assure itself of the Executive's continued active participation in the business of the Bank; and

WHEREAS, in order to induce Executive to remain in the employ of the Bank and in consideration of Executive's agreeing to remain in the employ of the Bank, the parties desire to specify the severance benefits which shall be due Executive in the event that his employment with the Bank is terminated under specified circumstances.

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

1. TERM OF AGREEMENT.

(a) **Two Year Contract; Annual Renewal**. The term of this Agreement will begin as of the Effective Date and will continue through December 31, 2020 (the "Term"). Commencing on January 1, 2020 and continuing on each January 1st thereafter (the "Renewal Date"), the Term will extend automatically for one additional year, so that the Term will be two (2) years from such Renewal Date, unless either the Bank or Executive by written notice to the other given at least 60 days prior to such Renewal Date notifies the other of its intent not to extend the same. In the event that notice not to extend is given by either the Bank or the Executive, this Agreement will terminate as of the last day of the then current Term. For avoidance of doubt, any extension to the Term will become the "Term" for purposes of this Agreement.

At least 30 days prior to the Renewal Date, the disinterested members of the Board of Directors of the Bank (the "Board") will conduct a comprehensive performance evaluation and review of 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 Board's meeting.

(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 under Section 2(b) hereof, the Term of this Agreement will be extended automatically so that it is scheduled to expire no less than two (2) years beyond the effective date of the Change in Control, subject to extensions as set forth above.

2. DEFINITIONS.

(a) Base Salary. Executive's "Base Salary" for purposes of this Agreement shall mean the annual rate of base salary paid to Executive by the Bank.

(b) Change in Control. For purposes of this Agreement, the term "Change in Control" means: (i) a change in the ownership of the Corporation; (ii) a change in the effective control of the Corporation; or (iii) a change in the ownership of a substantial portion of the assets of the Corporation as defined in accordance with Code Section 409A. For purposes of this Section 2(b), the term "Corporation" is defined to include the Bank, the Company or any of their successors, as applicable.

(i) A change in the ownership of a Corporation occurs on the date that any one person, or more than one person acting as a group (as defined in Treasury Regulation 1.409A-3(i)(5)(v)(B)), acquires ownership of stock of the Corporation that, together with stock held by such person or group, constitutes more than 50 percent of the total fair market value or total voting power of the stock of such Corporation.

(ii) A change in the effective control of the Corporation occurs on the date that either (A) any one person, or more than one person acting as a group (as defined in Treasury Regulation 1.409A-3(i)(5)(vi)(D)) acquires (or has acquired during the 12-month period ending on the date of the most recent acquisition by such person or persons) ownership of stock of the Corporation possessing 30 percent or more of the total voting power of the stock of the Corporation, or (B) a majority of the members of the Board is replaced during any 12-month period by directors whose appointment or election is not endorsed by a majority of the members of the Board prior to the date of the appointment or election, provided that this subsection "(B)" is inapplicable where a majority stockholder of the Corporation is another corporation.

(iii) A change in a substantial portion of the Corporation's assets occurs on the date that any one person or more than one person acting as a group (as defined in Treasury Regulation 1.409A-3(i)(5)(vii)(C)) acquires (or has acquired during the 12-month period ending on the date of the most recent acquisition by such person or persons) assets from the Corporation that have a total gross fair market value equal to or more than 40 percent of the total gross fair market value of (A) all of the assets of the Corporation, or (B) the value of the assets being disposed of, either of which is determined without regard to any liabilities associated with such assets. For all purposes hereunder, the definition of Change in Control shall be construed to be consistent with the requirements of Treasury Regulation 1.409A-3(i)(5), except to the extent that such regulations are superseded by subsequent guidance.

Notwithstanding anything herein to the contrary, a Change in Control will not be deemed to have occurred for purposes of this Agreement in connection with the Bank's mutual holding company reorganization and/or minority stock offering of the Company. Similarly, a Change in Control for purposes of this Agreement will not be deemed to have occurred in the event of a second-step conversion of the Bank's mutual holding company from mutual-to-stock form and/or contemporaneous stock offering of a newly-formed stock holding company.

(c) Code. "Code" shall mean the Internal Revenue Code of 1986, as amended.

(d) Good Reason. "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:

(i) a material reduction in Executive's Base Salary;

(ii) a material reduction in Executive's authority, duties or responsibilities from the position and attributes associated with Executive's executive position with the Bank in effect as of the Effective Date or any successor executive position, as mutually agreed to by the Bank and Executive;

(iii) the Bank requiring Executive to be based at any office or location resulting in an increase in Executive's commute of 35 miles or more; or

(iv) a material breach of this Agreement by the Bank;

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 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 30 days of the date the Bank received the written notice from Executive. If the Bank remedies the condition within such 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 30-day cure period, then Executive may deliver a Notice of Termination for Good Reason at any time within 60 days following the expiration of such cure period.

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

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

(ii) 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;

(iii) breach of fiduciary duty involving personal profit;

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

(v) 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; or any violation of the policies and procedures of the Bank as outlined in the Bank's employee handbook, which would result in termination of the Bank employees, as from time to time amended and incorporated herein by reference; or

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

3. BENEFITS UPON TERMINATION.

Upon the termination of Executive's employment by the Bank (or any successor) without Cause or by Executive with Good Reason during the Term on or after the effective time of a Change in Control, the Bank (or any successor) will pay or provide Executive, or Executive's estate in the event of Executive's subsequent death, with the following:

(i) a cash lump sum payment equal to two (2) times the sum of Executive's: (A) Base Salary (or Executive's Base Salary in effect immediately prior to the Change in Control, if higher); and (B) the highest annual cash bonus earned by Executive for the three (3) most recently completed annual performance periods prior to the Change in Control, payable within 30 days following Executive's Date of Termination; and

(ii) life insurance coverage and non-taxable medical and dental insurance coverage substantially comparable to the coverage maintained by the Bank for Executive immediately prior to the Date of Termination at no cost to Executive. Such continued coverage will cease upon the earlier of: (A) the date which is 24 months following from Executive's Date of Termination; or (B) the date on which Executive becomes a full-time employee of another employer, provided Executive is entitled to benefits that are substantially similar to the health and welfare benefits provided by the Bank. The period of continued health coverage required by Section 4980B(f) of the Code shall not run concurrently with the coverage period provided herein.

4. 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). In no event shall the Date of Termination exceed 30 days from the date the Notice of Termination is given.

5. SOURCE OF PAYMENTS.

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

6. 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.

7. ENTIRE AGREEMENT; MODIFICATION AND WAIVER.

(a) This Agreement contains the entire understanding between the parties hereto and supersedes any prior employment agreement between the Bank or any predecessor of the Bank and Executive, except that this Agreement shall not affect or operate to reduce any benefit or compensation inuring to Executive under another plan, program or agreement (other than an employment agreement) between the Bank and Executive.

(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.

8. 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.

9. 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.

10. 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.

11. ARBITRATION.

Any dispute or controversy arising under or in connection with this Agreement shall be settled exclusively by arbitration, conducted within 50 miles of Albany, 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.

12. 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.

13. 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.

14. 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.

15. CERTAIN APPLICABLE LAW.

(a) The Bank may terminate Executive's employment at any time, but any termination by the Bank 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 under this Agreement for any period after Executive's termination for Cause.

(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 such payment or benefit is payable upon the Executive's termination of employment, then such 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 Executive reasonably anticipate that either no further services will be performed by 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 50 percent of the average level of bona fide services in the 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) If 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 final regulations issued thereunder) and any payment under this Agreement is triggered due to Executive’s Separation from Service, then solely to the extent necessary to avoid penalties under Section 409A of the Code, no payment shall be made during the first six (6) months following Executive’s Separation from Service. Rather, any payment which would otherwise be paid to Executive during such period shall be accumulated and paid to Executive in a lump sum on the first day of the seventh month following such Separation from Service. All subsequent payments shall be paid in the manner specified in this Agreement.

(e) If the Bank cannot provide Executive or Executive’s dependents any continued health insurance or other welfare benefits as required by this Agreement 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 will 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 will be made in a lump sum within 30 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. Notwithstanding the foregoing, if such cash payment would violate the requirements of Treasury Regulation Section 1.409A-3(j), the Executive’s cash payment in lieu of the continued health insurance or welfare benefits as required by this Agreement will be payable at the same time the related premium payments would have been paid by the Bank and for the duration of the applicable coverage period.

16. TAX WITHHOLDING.

The Bank may withhold from any amounts payable to 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:	Pioneer Bank 652 Albany-Shaker Road Albany, New York 12211 Attention: Corporate Secretary
To Executive:	Most recent address on file with the Bank

[Signature Page Follows]

SIGNATURES

IN WITNESS WHEREOF, the Bank has caused this Agreement to be executed by its duly authorized officer, and Executive has signed this Agreement, as of the date first written above.

PIONEER BANK

By: /s/ Thomas L. Amell
Name: Thomas L. Amell
Title: President and Chief Executive Officer

EXECUTIVE

/s/ Jesse Tomczak
Jesse Tomczak

(Back To Top)

Section 5: EX-10.4 (EXHIBIT 10.4)

Exhibit 10.4

TWO-YEAR CHANGE IN CONTROL AGREEMENT

This Change in Control Agreement (the "Agreement") is made effective as of the 17th day of July 2019 (the "Effective Date"), by and between Pioneer Bank, a New York-chartered stock savings bank (the "Bank") and Patrick J. Hughes ("Executive"). Any reference to the "Company" shall mean Pioneer Bancorp, Inc., the newly-formed the stock holding company of the Bank, or any successor thereto.

RECITALS

WHEREAS, Executive is currently employed as an executive officer of the Bank;

WHEREAS, the Bank desires to assure itself of the Executive's continued active participation in the business of the Bank; and

WHEREAS, in order to induce Executive to remain in the employ of the Bank and in consideration of Executive's agreeing to remain in the employ of the Bank, the parties desire to specify the severance benefits which shall be due Executive in the event that his employment with the Bank is terminated under specified circumstances.

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

1. TERM OF AGREEMENT.

(a) **Two Year Contract; Annual Renewal**. The term of this Agreement will begin as of the Effective Date and will continue through December 31, 2020 (the "Term"). Commencing on January 1, 2020 and continuing on each January 1st thereafter (the "Renewal Date"), the Term will extend automatically for one additional year, so that the Term will be two (2) years from such Renewal Date, unless either the Bank or Executive by written notice to the other given at least 60 days prior to such Renewal Date notifies the other of its intent not to extend the same. In the event that notice not to extend is given by either the Bank or the Executive, this Agreement will terminate as of the last day of the then current Term. For avoidance of doubt, any extension to the Term will become the "Term" for purposes of this Agreement.

At least 30 days prior to the Renewal Date, the disinterested members of the Board of Directors of the Bank (the "Board") will conduct a comprehensive performance evaluation and review of 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 Board's meeting.

(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 under Section 2(b) hereof, the Term of this Agreement will be extended automatically so that it is scheduled to expire no less than two (2) years beyond the effective date of the Change in Control, subject to extensions as set forth above.

2. DEFINITIONS.

(a) Base Salary. Executive's "Base Salary" for purposes of this Agreement shall mean the annual rate of base salary paid to Executive by the Bank.

(b) Change in Control. For purposes of this Agreement, the term "Change in Control" means: (i) a change in the ownership of the Corporation; (ii) a change in the effective control of the Corporation; or (iii) a change in the ownership of a substantial portion of the assets of the Corporation as defined in accordance with Code Section 409A. For purposes of this Section 2(b), the term "Corporation" is defined to include the Bank, the Company or any of their successors, as applicable.

(i) A change in the ownership of a Corporation occurs on the date that any one person, or more than one person acting as a group (as defined in Treasury Regulation 1.409A-3(i)(5)(v)(B)), acquires ownership of stock of the Corporation that, together with stock held by such person or group, constitutes more than 50 percent of the total fair market value or total voting power of the stock of such Corporation.

(ii) A change in the effective control of the Corporation occurs on the date that either (A) any one person, or more than one person acting as a group (as defined in Treasury Regulation 1.409A-3(i)(5)(vi)(D)) acquires (or has acquired during the 12-month period ending on the date of the most recent acquisition by such person or persons) ownership of stock of the Corporation possessing 30 percent or more of the total voting power of the stock of the Corporation, or (B) a majority of the members of the Board is replaced during any 12-month period by directors whose appointment or election is not endorsed by a majority of the members of the Board prior to the date of the appointment or election, provided that this subsection "(B)" is inapplicable where a majority stockholder of the Corporation is another corporation.

(iii) A change in a substantial portion of the Corporation's assets occurs on the date that any one person or more than one person acting as a group (as defined in Treasury Regulation 1.409A-3(i)(5)(vii)(C)) acquires (or has acquired during the 12-month period ending on the date of the most recent acquisition by such person or persons) assets from the Corporation that have a total gross fair market value equal to or more than 40 percent of the total gross fair market value of (A) all of the assets of the Corporation, or (B) the value of the assets being disposed of, either of which is determined without regard to any liabilities associated with such assets. For all purposes hereunder, the definition of Change in Control shall be construed to be consistent with the requirements of Treasury Regulation 1.409A-3(i)(5), except to the extent that such regulations are superseded by subsequent guidance.

Notwithstanding anything herein to the contrary, a Change in Control will not be deemed to have occurred for purposes of this Agreement in connection with the Bank's mutual holding company reorganization and/or minority stock offering of the Company. Similarly, a Change in Control for purposes of this Agreement will not be deemed to have occurred in the event of a second-step conversion of the Bank's mutual holding company from mutual-to-stock form and/or contemporaneous stock offering of a newly-formed stock holding company.

(c) Code. "Code" shall mean the Internal Revenue Code of 1986, as amended.

(d) Good Reason. "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:

(i) a material reduction in Executive's Base Salary;

(ii) a material reduction in Executive's authority, duties or responsibilities from the position and attributes associated with Executive's executive position with the Bank in effect as of the Effective Date or any successor executive position, as mutually agreed to by the Bank and Executive;

(iii) the Bank requiring Executive to be based at any office or location resulting in an increase in Executive's commute of 35 miles or more; or

(iv) a material breach of this Agreement by the Bank;

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 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 30 days of the date the Bank received the written notice from Executive. If the Bank remedies the condition within such 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 30-day cure period, then Executive may deliver a Notice of Termination for Good Reason at any time within 60 days following the expiration of such cure period.

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

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

(ii) 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;

(iii) breach of fiduciary duty involving personal profit;

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

(v) 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; or any violation of the policies and procedures of the Bank as outlined in the Bank's employee handbook, which would result in termination of the Bank employees, as from time to time amended and incorporated herein by reference; or

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

3. BENEFITS UPON TERMINATION.

Upon the termination of Executive's employment by the Bank (or any successor) without Cause or by Executive with Good Reason during the Term on or after the effective time of a Change in Control, the Bank (or any successor) will pay or provide Executive, or Executive's estate in the event of Executive's subsequent death, with the following:

(i) a cash lump sum payment equal to two (2) times the sum of Executive's: (A) Base Salary (or Executive's Base Salary in effect immediately prior to the Change in Control, if higher); and (B) the highest annual cash bonus earned by Executive for the three (3) most recently completed annual performance periods prior to the Change in Control, payable within 30 days following Executive's Date of Termination; and

(ii) life insurance coverage and non-taxable medical and dental insurance coverage substantially comparable to the coverage maintained by the Bank for Executive immediately prior to the Date of Termination at no cost to Executive. Such continued coverage will cease upon the earlier of: (A) the date which is 24 months following from Executive's Date of Termination; or (B) the date on which Executive becomes a full-time employee of another employer, provided Executive is entitled to benefits that are substantially similar to the health and welfare benefits provided by the Bank. The period of continued health coverage required by Section 4980B(f) of the Code shall not run concurrently with the coverage period provided herein.

4. 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). In no event shall the Date of Termination exceed 30 days from the date the Notice of Termination is given.

5. SOURCE OF PAYMENTS.

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

6. 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.

7. ENTIRE AGREEMENT; MODIFICATION AND WAIVER.

(a) This Agreement contains the entire understanding between the parties hereto and supersedes any prior employment agreement between the Bank or any predecessor of the Bank and Executive, except that this Agreement shall not affect or operate to reduce any benefit or compensation inuring to Executive under another plan, program or agreement (other than an employment agreement) between the Bank and Executive.

(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.

8. 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.

9. 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.

10. 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.

11. ARBITRATION.

Any dispute or controversy arising under or in connection with this Agreement shall be settled exclusively by arbitration, conducted within 50 miles of Albany, 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.

12. 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.

13. 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.

14. 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.

15. CERTAIN APPLICABLE LAW.

(a) The Bank may terminate Executive's employment at any time, but any termination by the Bank 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 under this Agreement for any period after Executive's termination for Cause.

(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 such payment or benefit is payable upon the Executive's termination of employment, then such payments or benefits will be payable only upon the Executive's "Separation from Service." For purposes of this Agreement, a "<u>Separation from Service</u>" will have occurred if the Bank and Executive reasonably anticipate that either no further services will be performed by 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 50 percent of the average level of bona fide services in the 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) If 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 final regulations issued thereunder) and any payment under this Agreement is triggered due to Executive's Separation from Service, then solely to the extent necessary to avoid penalties under Section 409A of the Code, no payment shall be made during the first six (6) months following Executive's Separation from Service. Rather, any payment which would otherwise be paid to Executive during such period shall be accumulated and paid to Executive in a lump sum on the first day of the seventh month following such Separation from Service. All subsequent payments shall be paid in the manner specified in this Agreement.

(e) If the Bank cannot provide Executive or Executive's dependents any continued health insurance or other welfare benefits as required by this Agreement 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 will 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 will be made in a lump sum within 30 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. Notwithstanding the foregoing, if such cash payment would violate the requirements of Treasury Regulation Section 1.409A-3(j), the Executive's cash payment in lieu of the continued health insurance or welfare benefits as required by this Agreement will be payable at the same time the related premium payments would have been paid by the Bank and for the duration of the applicable coverage period.

16. TAX WITHHOLDING.

The Bank may withhold from any amounts payable to 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:	Pioneer Bank 652 Albany-Shaker Road Albany, New York 12211 Attention: Corporate Secretary
To Executive:	Most recent address on file with the Bank

[Signature Page Follows]

SIGNATURES

IN WITNESS WHEREOF, the Bank has caused this Agreement to be executed by its duly authorized officer, and Executive has signed this Agreement, as of the date first written above.

PIONEER BANK

By: /s/ Thomas L. Amell
Name: Thomas L. Amell
Title: President and Chief Executive Officer

EXECUTIVE

/s/ Patrick J. Hughes
Patrick J. Hughes

(Back To Top)

Section 6: EX-99.1 (EXHIBIT 99.1)

Exhibit 99.1

PIONEER
BANCORP INC.

For Immediate Release
Media Contact: Charles Wiff: (607) 743-8314 or (518) 326-6400

PIONEER BANCORP, INC. ANNOUNCES CLOSING
OF MUTUAL HOLDING COMPANY REORGANIZATION AND STOCK OFFERING

Albany, New York, July 17, 2019 – Pioneer Bancorp, Inc. (the "Company"), the holding company for Pioneer Bank, announced today that it had closed its stock offering in connection with the completion of the reorganization of Pioneer Bank into the two-tier mutual holding company form of organization.

"This reorganization is the result of many months of dedicated effort by the Pioneer Bank team and our partners, and we are all excited to celebrate this milestone together. Not only will Pioneer Bank raise additional capital with which to continue our growth and provide even greater value to our customers, we will also build on our commitment to the community through an additional contribution to the Pioneer Bank Charitable Foundation," said Pioneer Bank President and CEO Thomas Amell.

The Company sold 11,170,402 shares of common stock at a price of $10.00 per share in its subscription offering, including 221,636 shares sold to Pioneer Bank's employee stock ownership plan. The Company also contributed 519,554 shares of common stock and $250,000 in cash to the Pioneer Bank Charitable Foundation. The Pioneer Bank Charitable Foundation is committed to helping "kids be kids," and supports local charitable organizations that focus on education, nutrition, clothing and housing. Upon closing, 25,977,679 shares of the Company's common stock are outstanding, including 14,287,723 shares issued to Pioneer Bancorp, MHC. The employee stock ownership plan intends to own 3.92% of the Company's outstanding shares of common stock following completion of the offering. Accordingly, the employee stock ownership plan intends to purchase up to an additional 796,689 shares of Company common stock in the open market once trading begins.

Shares of the Company's common stock are expected to begin trading on July 18, 2019 on the Nasdaq Capital Market under the trading symbol "PBFS." Pioneer Bank President and CEO Thomas Amell will ring the Nasdaq Closing Bell in New York City. The Company's transfer agent, Continental Stock Transfer & Trust Company, expects to mail Direct Registration Statements reflecting the shares purchased in the stock offering, a check for any interest due on funds submitted and, if any subscription was not filled, any refund due on or about July 18, 2019.

Sandler O’Neill & Partners, L.P. acted as marketing agent for the Company in connection with the stock offering. Luse Gorman, PC acted as legal counsel to the Company and Pioneer Bank. Silver, Freedman, Taff & Tiernan LLP acted as legal counsel to Sandler O’Neill & Partners, L.P.

About Pioneer Bank

As a leading financial institution in New York’s Capital Region, Pioneer Bank has more than $1 billion in assets and operates 22 branches locally. Recognized as a “Best Places to Work” by the Albany Business Review six years running, Pioneer Bank delivers a world-class working environment for its employees and is continually evolving to meet the needs of its customers by offering new products, services and leading technologies. Pioneer Bank has earned a Five Star rating from Bauer Financial Inc. each quarter for more than a quarter-century – something only 5 percent of U.S. banks can claim. Pioneer Bank is committed to giving back to the communities in which it serves through the Pioneer Bank Charitable Foundation, which provides resources to nonprofit organizations that help improve the quality of life for children in the Capital Region. For more information on Pioneer Bank, please visit www.pioneerbanking.com.

Forward-Looking Statements

This press release contains forward-looking statements about the offering. Forward-looking statements include statements regarding anticipated future events and can be identified by the fact that they do not relate strictly to historical or current facts. They often include words such as “believe,” “expect,” “anticipate,” “estimate,” and “intend” or future or conditional verbs such as “will,” “would,” “should,” “could,” or “may.” Forward-looking statements, by their nature, are subject to risks and uncertainties. Certain factors that could cause actual results to differ materially from expected results include delays in consummation of the offering, increased competitive pressures, changes in the interest rate environment, general economic conditions or conditions within the securities markets, and legislative and regulatory changes that could adversely affect the business in which Pioneer Bank is engaged.

(Back To Top)