

PRUDENTIAL BANCORP, INC.  
Form DEF 14A  
January 18, 2019

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

SCHEDULE 14A  
(Rule 14a-101)

Proxy Statement Pursuant to Section 14(a) of the Securities  
Exchange Act of 1934 (Amendment No. )

Filed by the Registrant  
Filed by a Party other than the Registrant

Check the appropriate box:

- Preliminary Proxy Statement
- Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))
- Definitive Proxy Statement
- Definitive Additional Materials
- Soliciting Material Pursuant to §240.14a-12

Prudential Bancorp, Inc.  
(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than Registrant)

Payment of Filing Fee (Check the appropriate box):

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(4) Date Filed: \_\_\_\_\_

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January 18, 2019

Dear Shareholder:

You are cordially invited to attend the Annual Meeting of Shareholders of Prudential Bancorp, Inc. The meeting will be held at Prudential Bank's administrative offices located at 3993 Huntingdon Pike, Suite 300, Huntingdon Valley, Pennsylvania, on Wednesday, February 20, 2019 at 11:00 a.m., Eastern Time.

The Board of Directors unanimously recommends a vote "FOR" election of our one nominee for director for a three-year term expiring in 2022, "FOR" the non-binding resolution to approve the compensation of our named executive officers "THREE YEARS" on the advisory vote on the frequency of the presentation of future non-binding resolutions regarding the compensation of our named executive officers and "FOR" ratification of the appointment of S.R. Snodgrass, P.C. as our independent registered public accounting firm for the fiscal year ending September 30, 2019. Each of these matters is more fully described in the accompanying materials.

It is very important that you be represented at the annual meeting regardless of the number of shares you own or whether you are able to attend the meeting in person. We urge you to mark, sign, and date your proxy card today and return it in the envelope provided or vote over the Internet or by telephone, if available, even if you plan to attend the annual meeting. This will not prevent you from voting in person, but will ensure that your vote is counted if you are unable to attend.

Your continued support of and interest in Prudential Bancorp, Inc. is sincerely appreciated.

Very truly yours,

Dennis Pollack  
President and Chief Executive Officer

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PRUDENTIAL BANCORP, INC.  
1834 West Oregon Avenue  
Philadelphia, Pennsylvania 19145

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS

TIME 11:00 a.m., Eastern Time, Wednesday, February 20, 2019

PLACE Prudential Bank Administrative Offices  
3993 Huntingdon Pike, Suite 300  
Huntingdon Valley, Pennsylvania

ITEMS OF BUSINESS

- (1) To elect one director for a three-year term and until his successor is elected and qualified;
- (2) To adopt a non-binding resolution to approve the compensation of our named executive officers;
- (3) To consider an advisory vote on the frequency of the non-binding resolution to approve the compensation of our named executive officers;
- (4) To ratify the appointment of S.R. Snodgrass, P.C. as our independent registered public accounting firm for the fiscal year ending September 30, 2019; and
- (5) To transact such other business as may properly come before the meeting or at any adjournment thereof. We are not aware of any other such business.

RECORD DATE Holders of Prudential Bancorp, Inc. common stock of record at the close of business on December 31, 2018 are entitled to vote at the meeting.

ANNUAL REPORT Our 2018 Annual Report to Shareholders is enclosed but is not a part of the proxy solicitation materials.

PROXY VOTING It is important that your shares be represented and voted at the meeting. You are urged to vote your shares by completing and returning the proxy card sent to you. Most shareholders can also vote their shares over the Internet or by telephone. If Internet or telephone voting is available to you, voting instructions are printed on your proxy card or voting instruction form. You can revoke a proxy at any time prior to its exercise at the meeting by following the instructions in the accompanying proxy statement.

BY ORDER OF THE BOARD OF DIRECTORS

Sharon M. Slater  
Corporate Secretary  
Philadelphia, Pennsylvania  
January 18, 2019

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MEETING DIRECTIONS

From Center City Philadelphia:

Take I-95 North to Exit 35- PA 63 West (Woodhaven Road)

Stay to your left and drive to dead-end

Make a left and proceed to Byberry Road

Turn right onto Byberry Road and continue to Huntingdon Pike (Route 232)

Turn right onto Huntingdon Pike and proceed to 3993 Huntingdon Pike

From Pennsylvania Turnpike:

Take Exit 343 for Willow Grove (formerly Exit 27 Doylestown/Jenkintown Exit)

Take Route 611 North and proceed to Mill Road

Turn right onto Mill Road which changes to Warminster Road

Stay on Warminster Road until you come to Byberry Road

Turn right onto Byberry Road and continue to Huntingdon Pike (Route 232)

Turn left onto Huntingdon Pike and proceed to 3993 Huntingdon Pike

PROXY STATEMENT  
OF  
PRUDENTIAL BANCORP, INC.

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ABOUT THE ANNUAL MEETING OF SHAREHOLDERS

General. This proxy statement is furnished to holders of common stock of Prudential Bancorp, Inc., referred to as the “Company” or “Prudential Bancorp,” the parent holding company of Prudential Bank, referred to as “Prudential Bank” or the “Bank.” Our Board of Directors is soliciting proxies to be used at the Annual Meeting of Shareholders to be held at the administrative offices of Prudential Bank, located at 3993 Huntingdon Pike, Suite 300, Huntingdon Valley, Pennsylvania, on Wednesday, February 20, 2019 at 11:00 a.m., Eastern Time, and any adjournment thereof, for the purposes set forth in the attached Notice of Annual Meeting of Shareholders. This proxy statement is first being mailed to shareholders on or about January 18, 2019.

Important Notice Regarding the Availability of Proxy Materials for the Shareholder Meeting to Be Held on February 20, 2019. This proxy statement and our 2018 Annual Report on Form 10-K are available through our website at [www.psbanker.com](http://www.psbanker.com) under the “Investor Relations” Quick Link.

What is the purpose of the annual meeting?

At our annual meeting, shareholders will act upon the matters outlined in the attached notice of meeting consisting of the proposals to:

- elect one director for a three-year term expiring in 2022;
- adopt a non-binding resolution to approve the compensation of our named executive officers;
- consider an advisory vote on the frequency of the presentation of future non-binding resolutions on the compensation of our named executive officers; and
- ratify the appointment of S.R. Snodgrass, P.C. as our independent registered public accounting firm for the fiscal year ending September 30, 2019.

Who is entitled to vote?

Only our shareholders of record as of the close of business on the record date for the annual meeting, December 31, 2018, are entitled to vote at the meeting. On the record date, we had 8,892,964 shares of common stock issued and outstanding and no other class of equity securities outstanding. For each issued and outstanding share of common stock you own on the record date, you will be entitled to one vote on each matter to be voted on at the meeting, in person or by proxy.

How do I submit my proxy?

After you have carefully read this proxy statement, indicate on your proxy form how you want your shares to be voted. Then sign, date and mail your proxy form in the enclosed prepaid return envelope as soon as possible. You may also vote over the Internet or by telephone by following the instructions on your proxy card or voting instruction form. This will enable your shares to be represented and voted at the annual meeting.

If my shares are held in “street name” by my broker, could my broker automatically vote my shares?

Your broker may not vote on the election of directors and proposals one and two if you do not furnish instructions for each of such proposals. You should use the voting instruction form or broker card provided by the institution that holds your shares to instruct your broker to vote your shares or else your shares will be considered “broker non-votes.”

Broker non-votes are shares held by brokers or nominees as to which voting instructions have not been received from the beneficial owners or the persons entitled to vote those shares and the broker or nominee does not have discretionary voting power under rules applicable to broker-dealers. Under these rules, proposal one, the election of directors, proposal two, the non-binding proposal to approve the compensation of our named executive officers and proposal three, the advisory vote on the frequency of non-binding proposals to approve the compensation of our named executive officers are not items on which brokerage firms may vote in their discretion on behalf of their clients if such clients have not furnished voting instructions.

Your broker may vote in his or her discretion on the ratification of the appointment of our independent registered public accounting firm if you do not furnish instructions.

Can I attend the meeting and vote my shares in person?

All shareholders are invited to attend the annual meeting. Shareholders of record can vote in person at the annual meeting. If your shares are held in “street name,” then you are not the shareholder of record and you must ask your broker or other nominee about how you can vote at the annual meeting.

Can I change my vote after I return my proxy card?

Yes. If you are a shareholder of record, there are three ways you can change your vote or revoke your proxy after you have sent in your proxy card.

First, you may complete and submit a new proxy card or vote over the Internet or by telephone before the annual meeting. Any earlier proxies will be revoked automatically.

Second, you may send a written notice to our Corporate Secretary, Ms. Sharon M. Slater, Prudential Bancorp, Inc., 1834 West Oregon Avenue, Philadelphia, Pennsylvania 19145, in advance of the annual meeting stating that you would like to revoke your proxy.

Third, you may attend the annual meeting and vote in person. Any earlier proxy will be revoked. However, attending the annual meeting without voting in person will not revoke your proxy.

If your shares are held in street name and you have instructed a broker or other nominee to vote your shares, you must follow directions you receive from your broker or other nominee on how to change your vote.

What constitutes a quorum?

The presence at the meeting, in person or by proxy, of the holders of a majority of votes that all shareholders are entitled to cast on a particular matter will constitute a quorum. Proxies received but marked as abstentions and broker non-votes will be included in the calculation of the number of votes considered to be present at the meeting.





What are the Board of Directors' recommendations?

The recommendations of the Board of Directors are set forth under the description of each proposal in this proxy statement. In summary, the Board of Directors recommends that you vote FOR the one nominee for director described herein, FOR the non-binding resolution to approve the compensation of our named executive officers, FOR EVERY THREE YEARS on the advisory vote on the frequency of the non-binding resolution to approve the compensation of our named executive officers and FOR ratification of the appointment of S.R. Snodgrass, P.C. as our independent registered public accounting firm for the fiscal year ending September 30, 2019.

The proxy solicited hereby, if properly signed and returned to us and not revoked prior to its use, will be voted in accordance with your instructions. If no contrary instructions are given, each proxy signed and received will be voted in the manner recommended by the Board of Directors and, upon the transaction of such other business as may properly come before the meeting, in accordance with the best judgment of the persons appointed as proxies. Proxies solicited hereby may be exercised only at the annual meeting and any adjournment of the annual meeting and will not be used for any other meeting.

What vote is required to approve each item?

The election of directors will be determined by a plurality of the votes cast at the annual meeting. The one nominee for director receiving the most "For" votes will be the director for a three-year term expiring in 2022, and until his successor is elected and qualified. The affirmative vote of a majority of the votes cast by shareholders entitled to vote at the annual meeting is required for approval of the proposal to ratify the appointment of S.R. Snodgrass, P.C. as our independent registered public accounting firm for the fiscal year ending September 30, 2019 and to approve the non-binding resolution approving the compensation of our named executive officers. The frequency of the advisory vote on the non-binding resolution to approve the compensation of our named executive officers receiving the greatest number of votes (either every three years, every two years or every year) will be the frequency that shareholders approve. Under the provisions of the Pennsylvania Business Corporation Law, abstentions and broker non-votes do not constitute votes cast and will not affect the vote required for the proposals to ratify the appointment of the independent registered public accounting firm and the non-binding resolution approving the compensation of our named executive officers.

#### INFORMATION WITH RESPECT TO THE NOMINEE FOR DIRECTOR, CONTINUING DIRECTORS AND EXECUTIVE OFFICERS

##### Election of Directors (Proposal One)

Our Articles of Incorporation provide that the Board of Directors shall be divided into three classes as nearly equal in number as possible. The directors are elected by our shareholders for staggered terms and until their successors are elected and qualified. Generally, one class is elected annually. At this annual meeting, you will be asked to elect one director for a three-year term expiring in 2022 and until his successor is elected and qualified.

Our Nominating and Corporate Governance Committee has recommended the re-election of Mr. A.J. Fanelli as a director. No director is related to any other director or executive officer by blood, marriage or adoption. Shareholders are not permitted to use cumulative voting for the election of directors. Our Board of Directors has determined that Messrs. Fanelli, Hosier, Miller and Mulcahy are independent directors as defined in the Nasdaq Stock Market listing standards.

Unless otherwise directed, each proxy signed and returned by a shareholder will be voted for the election of the nominee for director listed below. If the person named as a nominee should be unable or unwilling to stand for election at the time of the annual meeting, the proxies will nominate and vote for a replacement nominee or nominees recommended by our Board of Directors. At this time, the Board of Directors knows of no reason why the nominee

may not be able to serve as a director if elected.

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The following tables present information concerning our nominees for director and our continuing directors, all of whom also serve as directors of Prudential Bank. Ages are reflected as of September 30, 2018.

Nominee for Director for Three-Year Term Expiring in 2022

Name	Age and Position with Prudential Bancorp and Principal Occupation During the Past Five Years	Director Since
A. J. Fanelli	Director. Self-employed owner of a public accounting practice, Philadelphia, Pennsylvania. Mr. Fanelli brings substantial accounting knowledge to the Board of Directors as Chairman of the Audit Committee. Age 81.	2005

The Board of Directors recommends that you vote FOR election of our nominee for director.

Members of the Board of Directors Continuing in Office

Directors Whose Terms Expire in 2020

Name	Age and Position with Prudential Bancorp and Principal Occupation During the Past Five Years	Director Since
Francis V. Mulcahy	Director. Residential real estate appraiser and broker, Media, Pennsylvania. Mr. Mulcahy brings substantial knowledge of the local real estate market to the Board of Directors. Age 85.	2005
Dennis Pollack	Director. President and Chief Executive Officer of Prudential Bancorp and Prudential Bank since May 2016. Former Chairman of the Board, President Worldwide, Broomfield, Colorado, an information technology managed backup and infrastructure service provider, between 2011 and 2017. Director, SI Financial Group, Inc. Willimantic, Connecticut, and its wholly owned subsidiary, Savings Institute Bank and Trust Company, since February 2015; previously served as a director of TF Financial, Inc., Newtown, Pennsylvania, from January 2012 until October 2013; also served as Chief Operating Officer of Paulson & Co., New York, New York, a hedge fund, from 2003-2006 and as President and Chief Executive Officer of the Connecticut Bank of Commerce from 1997-2000 as well as The Savings Bank of Rockland County from 1989-1996. Mr. Pollack brings to the Board the benefit of his substantial experience as president, chief executive officer and director of community banking organizations as well as significant knowledge of community bank lending. Age 68.	2014

Directors Whose Terms Expire in 2021

Name	Age and Position with Prudential Bancorp and Principal Occupation During the Past Five Years	Director Since
John C. Hosier	Director. Vice President with Montgomery Insurance Services, Inc., Media, Pennsylvania since 1986, and Commercial Lines Manager of its affiliate, Allman and Company, Inc., Fort Washington, Pennsylvania since 2007, two full-service insurance agencies.  Mr. Hosier brings significant commercial business experience as well as knowledge of the local insurance market to the Board of Directors. Age 54.	2009
Bruce E. Miller	Director and Chairman of the Board. President, Imaging Management Associates, operator of five magnetic resonance imaging centers located in Philadelphia, Pennsylvania and Chester and Delaware Counties, Pennsylvania since 2000.  Mr. Miller brings significant business experience to the Board as a result of his successful operation of a number of small businesses as well as extensive knowledge of the local market area in which the Bank operates. Age 57.	2013

Committees and Meetings of the Board of Directors

During the fiscal year ended September 30, 2018, the Board of Directors of Prudential Bancorp met 12 times, including special meetings. No director of Prudential Bancorp attended fewer than 75% of the aggregate of the total number of Board meetings held during the period for which he has been a director and the total number of meetings held by all committees of the Board on which he served during the periods that he served.

Membership on Certain Board Committees. The Board of Directors of Prudential Bancorp has established an Audit Committee, Compensation Committee and Nominating and Corporate Governance Committee. Each of the committees operates in accordance with a written charter which is available on our website at [www.prudentialsavingsbank.com](http://www.prudentialsavingsbank.com). The following table sets forth the membership of such committees as of the date of this proxy statement.

Directors	Nominating and Corporate Governance	Compensation	Audit
A. J. Fanelli	*	*	**
John C. Hosier	**	**	*
Bruce E. Miller	*	*	*
Francis V. Mulcahy	*	*	*

\* Member

\*\* Chairman

Audit Committee. The Audit Committee reviews with management and the independent registered public accounting firm the systems of internal control, reviews the annual financial statements, including the Annual Report on Form 10-K, and monitors Prudential Bancorp's adherence in accounting and financial reporting to generally accepted accounting principles. The Audit Committee is comprised of four directors, each of whom is an independent director as defined in the Nasdaq Stock Market listing standards and the rules and regulations of the Securities and Exchange Commission. The Board of Directors has determined that Mr. Fanelli meets the definition of Audit Committee

financial expert, as such term is defined in the rules of the Securities and Exchange Commission. In addition, each of the other members of the Audit Committee has had significant involvement in financial matters. The Audit Committee met five times in fiscal 2018.

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Compensation Committee. It is the responsibility of the Compensation Committee of the Board of Directors to, among other things, oversee Prudential Bancorp's compensation and incentive arrangements for management. No member of the Compensation Committee is a current or former officer or employee of Prudential Bancorp, Prudential Bank or any subsidiary and all members are independent as defined in the Nasdaq Stock Market listing standards. Each of the members is independent as defined in the Nasdaq Stock Market listing standards. The Compensation Committee held five meetings in fiscal 2018 to consider management compensation matters.

Nominating and Corporate Governance Committee. The Nominating and Corporate Governance Committee reviews and makes nominations for the Board of Directors, which are then sent to the full Board of Directors for their ratification. Each of the members is independent as defined in the Nasdaq Stock Market listing standards. The Nominating and Corporate Governance Committee met once in fiscal 2017 to select nominees for the 2018 Annual Meeting and once so far in fiscal 2019 to select the nominees to be presented at this annual meeting.

#### Board Leadership Structure

Mr. Pollack serves as our President and Chief Executive Officer and Mr. Bruce E. Miller serves as Chairman of the Board. The board of directors has determined that the separation of the offices of Chairman of the Board and President enhances board independence and oversight. Further, the separation of the Chairman of the Board permits the President and Chief Executive Officer to better focus on his responsibilities on managing the daily operations of the Company, enhancing shareholder value and expanding and strengthening our franchise while allowing the Chairman to lead the board of directors in its fundamental role of providing independent oversight and advice to management. The Chairman also serves as a liaison between the Board of Directors and executive management. Mr. Miller is an independent director under the rules of the Nasdaq Stock Market.

#### Board's Role in Risk Oversight

Risk is inherent with every business, particularly financial institutions. We face a number of risks, including credit risk, interest rate risk, liquidity risk, operational risk, strategic risk and reputational risk. Management is responsible for the day-to-day management of the risks that Prudential Bancorp faces, while the Board of Directors, as a whole and through its committees, has responsibility for the oversight of risk management. In its risk oversight role, the Board of Directors ensures that the risk management processes designed and implemented by management are adequate and functioning as designed.

One of our current senior executive officers, Mr. Pollack, serves on our Board of Directors. Other members of our senior management regularly attend meetings of the Board of Directors and are available to address any questions or concerns raised by the Board of Directors on risk management or other matters. Prudential Bank has established an Asset-Liability Committee, a Loan Quality Committee, a Management Loan Committee and an Investment Committee composed of members of senior management. The independent directors work together to provide strong, independent oversight of Prudential Bancorp's management and affairs.

#### Directors' Attendance at Annual Meetings

Directors are expected to attend the Annual Meeting of Shareholders absent a valid reason for not doing so. All of our directors attended the Annual Meeting of Shareholders held in February 2018.

## Directors' Compensation

The following table sets forth certain information regarding the compensation paid to our non-employee directors during fiscal year 2018. Mr. Pollack, our President and Chief Executive Officer, is included in the Summary Compensation Table set forth in the section "Management Compensation."

Name	Fees Earned or				Total
	Paid in Cash	Stock Awards	Option Awards	All Other Compensation	
A. J. Fanelli	\$57,166	\$ --	\$ --	\$ --	\$57,166
John C. Hosier	53,750	--	--	--	53,750
Bruce E. Miller	78,250	--	--	--	78,250
Francis V. Mulcahy	41,500	--	--	--	41,500

We do not pay separate compensation to directors for their service on the Board of Directors of Prudential Bancorp. For fiscal 2018, members of Prudential Bank's Board of Directors received an annual retainer of \$28,200. For fiscal 2019, the annual retainer will increase to \$30,000, the first increase in four years. Members also received \$2,350 per special meeting attended. For fiscal 2018, members of the Audit Committee, Executive Committee (other than Mr. Pollack) and the Compensation Committee received fees of \$900 per meeting attended. Such fees will increase to \$1,200 per meeting attended for fiscal 2019, also the first increase in such fees in four fiscal years. As Chairman of the Audit Committee, Mr. Fanelli received an annual retainer of \$16,000 in fiscal 2018, which increased to \$20,000 for fiscal 2019. As Chairman of the Compensation Committee for fiscal 2018, Mr. Hosier received an annual retainer of \$12,000. The Compensation Committee chair retainer was increased to \$15,000 for fiscal 2019. Mr. Miller, as Chairman of the Board, received an annual retainer for such service for fiscal 2018 in the amount of \$36,000, which was increased to \$45,000 for fiscal 2019. Board fees are subject to periodic adjustment by the Board of Directors. For fiscal 2019, the special meeting fees will remain the same as for fiscal 2018.

## Compensation Committee Interlocks and Insider Participation

Determinations regarding compensation of our President and Chief Executive Officer, our senior management and our employees are reviewed and approved by Prudential Bancorp's Compensation Committee. Messrs. Fanelli, Hosier, who is the Committee's Chairman, Miller and Mulcahy, currently serve as members of the Compensation Committee.

No person who served as a member of the Compensation Committee during fiscal 2018 was a current or former officer or employee of Prudential Bancorp or Prudential Bank or engaged in certain transactions with Prudential Bancorp or Prudential Bank required to be disclosed by regulations of the Securities and Exchange Commission.

Additionally, there were no Compensation Committee "interlocks" during fiscal 2018, which generally means that no executive officer of Prudential Bancorp served as a director or member of the compensation committee of another entity, one of whose executive officers served as a director or member of Prudential Bancorp's Compensation Committee.

## Director Nominations

Recommendations for nominations of persons to serve as directors of Prudential Bancorp are made by the Nominating and Corporate Governance Committee of the Board of Directors and are approved by the entire Board. The Board of Directors adopted a written charter of the Nominating and Corporate Governance Committee which is available on our website at [www.psbanker.com](http://www.psbanker.com). The charter sets forth certain criteria the committee may consider when recommending individuals for nomination including:



ensuring that the Board of Directors, as a whole, is diverse by considering:

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- o individuals with various and relevant career experience;
- o relevant technical skills;
- o industry knowledge and experience;
- o financial expertise (including expertise that could qualify a director as a “financial expert,” as that term is defined by the rules of the Securities and Exchange Commission);
- o local or community ties; and
- o minimum individual qualifications, including:
  - o strength of character;
  - o mature judgment;
  - o familiarity with our business and industry;
  - o independence of thought; and
  - o an ability to work collegially.

The committee also may consider the extent to which the candidate would fill a present need on the Board of Directors.

The Nominating and Corporate Governance Committee will also consider candidates for director suggested by other directors, as well as our management and shareholders. A shareholder who desires to recommend a prospective nominee for the Board should notify our Secretary or any member of the Nominating and Corporate Governance Committee in writing with whatever supporting material the shareholder considers appropriate. Any shareholder wishing to make a nomination must follow our procedures for shareholder nominations, which are described under “Shareholder Proposals, Nominations and Communications with the Board of Directors.”

#### Executive Officers Who Are Not Also Directors

Set forth below is certain information with respect to current executive officers of Prudential Bancorp and its subsidiaries who are not directors. Ages are reflected as of September 30, 2018.

Name	Age and Principal Occupation During the Past Five Years
Kevin Gallagher	Senior Vice President and Chief Lending Officer since January 1, 2017. Mr. Gallagher served as Chief Lending Officer of Polonia Bank, Huntingdon Valley, Pennsylvania, from November 2015 until completion of the merger of Polonia Bank with and into Prudential Bank on January 1, 2017. From June 2015 to November 2015, he served as Senior Lending Manager of Polonia Bank. From 2013 until June 2015, Mr. Gallagher was a banking consultant providing contractual consulting services focused on commercial lending. Mr. Gallagher previously served as President and CEO of Huntingdon Valley Bank from 2010 until January 2013. Prior to Huntingdon Valley Bank, Mr. Gallagher served as the chief lending officer at several banks, including Continental Bank, First Penn Bank and Republic Bank. Age 62.



Name	Age and Principal Occupation During the Past Five Years
Anthony V. Migliorino	Executive Vice President and Chief Operating Officer of Prudential Bank since September 2015; from July 2015 until September 2015 served as Senior Vice President-Retail Business Development Officer. From September 2000 to September 2014, Mr. Migliorino served in various positions at Sterling National Bank, New York, New York, including Senior Vice President of Branch Banking. Prior to 2000, Mr. Migliorino served as a senior officer at several financial institutions including Stissing National Bank, Pine Plains, New York and Savings Bank of Rockland County, Spring Valley, New York. Age 63.
Robert E. Pollard	Vice President and Controller of Prudential Bancorp and Prudential Bank since November 2017. Prior thereto, Mr. Pollard served as Assistant Controller of First Choice Bank, Kingston, New Jersey from March 2014 to March 2017 and as Controller of First Bank of Delaware, Philadelphia, Pennsylvania, from 2002 until June 2013. Age 61.
Jack E. Rothkopf	Senior Vice President, Chief Financial Officer and Treasurer of Prudential Bancorp and Prudential Bank since June 2015; Senior Vice President and Treasurer of Prudential Bancorp from June 2013 until June 2015 and of Prudential Bank from April 2013 until June 2015; from January 2006 to April 2013, served as Vice President and Controller. Prior thereto, Mr. Rothkopf served as Assistant Vice President of Popular Financial Holdings, Marlton, New Jersey from October 2000 to January 2006. Age 55.

#### REPORT OF THE AUDIT COMMITTEE

The Audit Committee has reviewed and discussed together with management and Prudential Bancorp's independent registered public accounting firm, S.R. Snodgrass, P.C., Prudential Bancorp's audited financial consolidated statements and the results of management's assessment of the effectiveness of Prudential Bancorp's internal control over financial reporting and the independent registered accounting firm's audit of internal control over financial reporting. The Audit Committee has discussed with Prudential Bancorp's independent registered public accounting firm, S.R. Snodgrass, P.C., the matters required to be discussed under Public Company Accounting Oversight Board Auditing Standard No. 16, Communication with Audit Committees. The Audit Committee has received the written disclosures and the letter from the independent registered public accounting firm required by applicable requirements of the Public Company Accounting Oversight Board under Rule 3526 regarding S.R. Snodgrass, P.C.'s communications with the Audit Committee concerning its independence and the Committee has discussed with S.R. Snodgrass, P.C. its independence. In reliance on the reviews and discussions referred to above in this report, the Audit Committee recommended to the Board of Directors that the audited financial statements and management's assessment of the effectiveness of Prudential Bancorp's internal control over financial reporting be included in Prudential Bancorp's Annual Report on Form 10-K for fiscal year 2018 filed with the Securities and Exchange Commission.

#### Members of the Audit Committee

A. J. Fanelli, Chairman

John C. Hosier

Bruce E. Miller

Francis V. Mulcahy



## MANAGEMENT COMPENSATION

## Summary Compensation Table

The following table summarizes the total compensation paid by Prudential Bank (including amounts deferred, if any, to future periods by the officers) for services rendered in all capacities during the fiscal years ended September 30, 2018 and 2017 to the principal executive officer and the two other most highly compensated executive officers of Prudential Bank during fiscal 2018 whose total compensation exceeded \$100,000, collectively referred to as our “named executive officers.” The Company has not paid separate cash compensation to our officers.

Name and Principal Position	Fiscal Year	Salary	Bonus(1)	Stock Awards(2)	Option Awards(2)	All Other Compensation(3)	Total
Dennis Pollack President and Chief Executive Officer	2018	\$398,375	\$200,000	\$230,750	\$290,400	\$33,151	\$1,152,676
	2017	367,593	135,000	--	--	9,750	512,343
Anthony V. Migliorino Executive Vice President and Chief Operating Officer	2018	281,538	130,000	138,450	163,350	8,371	721,709
	2017	263,077	84,006	--	--	47,869(4)	394,946
Kevin Gallagher(5) Senior Vice President and Chief Lending Officer	2018	160,462	20,000	55,380	108,900	4,324	349,066
	2017	111,154	5,000	--	31,800	--	147,954