

PRUDENTIAL BANCORP, INC.
Form DEF 14A
January 16, 2018
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):

No fee required.

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(3) Filing Party: _____

(4) Date Filed: _____

January 16, 2018

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 21, 2018 at 11:00 a.m., Eastern Time.

The Board of Directors unanimously recommends a vote "FOR" election of our two nominees for director for a three-year term expiring in 2021 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, 2018. 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

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 21, 2018

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

ITEMS OF BUSINESS (1) To elect two directors for a three-year term and until their successors are elected and qualified;
(2) To ratify the appointment of S.R. Snodgrass, P.C. as our independent registered public accounting firm for the fiscal year ending September 30, 2018; and
(3) 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 common stock of record at the close of business on December 29, 2017 are entitled to vote at the meeting.

ANNUAL REPORT Our 2017 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 16, 2018

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MEETING DIRECTORS

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.

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 21, 2018 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 16, 2018.

Important Notice Regarding the Availability of Proxy Materials for the Shareholder Meeting to Be Held on February 21, 2018. This proxy statement and our 2016 Annual Report on Form 10-K are available through our website at www.prudentialbanker.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 two directors for a three-year term expiring in 2021; and
ratify the appointment of S.R. Snodgrass, P.C. as our independent registered public accounting firm for the fiscal year ending September 30, 2018.

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 29, 2017, are entitled to vote at the meeting. On the record date, we had 8,981,755 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 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, is not an item 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 two nominees for director described herein, 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, 2018.

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.

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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 two nominees for director receiving the most "For" votes will be the directors for a three-year term expiring in 2021, and until their successors are 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, 2018. 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.

INFORMATION WITH RESPECT TO THE NOMINEES 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 two directors for a three-year term expiring in 2021 and until their successors are elected and qualified.

Our Nominating and Corporate Governance Committee has recommended the re-election of Messrs. John C. Hosier and Bruce E. Miller as directors. 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 nominees for director listed below. If any 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 any replacement nominee or nominees recommended by our Board of Directors. At this time, the Board of Directors knows of no reason why either of the nominees may not be able to serve as a director if elected.

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, 2017.

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Nominees for Director for Three-Year Terms Expiring 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 53.	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 56.	2013

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

Members of the Board of Directors Continuing in Office

Director Whose Term Expires in 2019

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 80.	2005

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 84.	2005
Dennis Pollack	Director. President and Chief Executive Officer of Prudential Bancorp and Prudential Bank since May 2016. Former Chairman of the Board, Presilient 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	2014

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 67.

Committees and Meetings of the Board of Directors

During the fiscal year ended September 30, 2017, the Board of Directors of Prudential Bancorp met 14 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. 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 four times in fiscal 2017.

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 2017 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.

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 that 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 2017.

Directors' Compensation

The following table sets forth certain information regarding the compensation paid to our non-employee directors during fiscal year 2017. 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 Paid in				Total
	Cash	Stock Awards(1)	Option Awards	All Other Compensation	
A. J. Fanelli	\$65,583	\$ 74,635	\$18,148	\$ --	\$156,366
John C. Hosier	55,250	74,635	18,148		