

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): October 2, 2023



PATHWARD FINANCIAL, INC.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of incorporation)

0-22140
(Commission File Number)

42-1406262
(IRS Employer Identification No.)

5501 South Broadband Lane, Sioux Falls, South Dakota 57108
(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code: **(877) 497-7497**

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-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:

<u>Title of each class</u>	<u>Trading Symbol(s)</u>	<u>Name of each exchange on which registered</u>
Common Stock, \$.01 par value	CASH	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.

On October 2, 2023, Pathward Financial, Inc. (the “Company”) appointed Gregory A. Sigrist as Executive Vice President, Chief Financial Officer of the Company and Pathward, N.A., (the “Bank”) effective immediately after the filing of the Form 10-K for the fiscal year ended September 30, 2023 (the “Effective Time”). Mr. Sigrist will also serve as the principal financial officer of the Company, effective as of the Effective Time. Mr. Sigrist will join the Company on November 1, 2023 and prior to the Effective Time, he will serve as Executive Vice President, Chief Financial Officer-Designee of the Company and the Bank.

As previously reported on October 27, 2022, Glen W. Herrick will retire as Executive Vice President, Chief Financial Officer of the Company and the Bank and principal financial officer of the Company, effective as of the Effective Time. After the Effective Time, Mr. Herrick will continue his employment with the Company as Executive Vice President, Executive Advisor to the Chief Executive Officer through December 29, 2023 to transition his duties and responsibilities and assist with various projects. The Company extends its appreciation to Mr. Herrick for his many contributions and for delaying his previously announced retirement timeline to allow for an orderly search and succession process.

Mr. Sigrist, age 56, joins the Company after serving as Executive Vice President and Chief Financial Officer of Metropolitan Bank Holding Corp. and Metropolitan Commercial Bank (collectively, “Metropolitan”) since August 2020. Before joining Metropolitan, Mr. Sigrist served as the Executive Vice President and Chief Financial Officer of Columbia Banking System, Inc. and its wholly owned subsidiary Columbia State Bank, from June 2018 until February 2020. Prior to his tenure at Columbia Banking System, Inc., Mr. Sigrist spent 12 years with Morgan Stanley as a Managing Director in a number of senior financial roles, including Chief Financial Officer of Morgan Stanley Bank, N.A. from 2014 to early 2018. Prior to that, he served for five years as Vice President, Corporate Accounting Policy/M&A Finance with Citigroup. Mr. Sigrist built the foundation of his career with Ernst & Young and McGladrey & Pullen in senior auditing roles of financial services clients, including regional and community banks, before transitioning into the banking industry in 2001. Mr. Sigrist is a Certified Public Accountant. Mr. Sigrist received a B.S. in Accounting with University Honors from Illinois State University.

In connection with his appointment, Mr. Sigrist and the Company have executed an offer letter, dated October 2, 2023 (the “Sigrist Offer Letter”), which provides for an annual salary and certain other benefits, as follows:

- Mr. Sigrist's initial annual salary is \$500,000.
 - Beginning in fiscal year 2024, Mr. Sigrist is eligible for an annual cash incentive opportunity at a target equal to 85% of his base salary, subject to satisfaction of performance goals in the annual cash incentive plan established by the Compensation Committee of the Board of Directors (the “Compensation Committee”), subject to pro ration based on the November 1, 2023 employment start date.
 - Beginning in 2024, Mr. Sigrist is also eligible for annual equity incentive awards pursuant to the Company's long-term equity incentive program established by the Compensation Committee, with an annual grant value at a target equal to 145% of his base salary, subject to pro ration based on the November 1, 2023 employment start date.
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- Mr. Sigrist will receive a sign-on bonus in the aggregate amount of \$400,000. Of this amount, \$100,000 will be a cash bonus payable in a lump sum upon the first pay period that is 90 days after the November 1, 2023 employment start date, and \$300,000 will be awarded in equity under the Company's fiscal year 2024 long-term equity incentive program. Fifty percent of the equity award will be awarded in the form of performance-contingent restricted stock ("RSAs"), which will become earned and payable upon the same terms and conditions generally applicable to all performance-contingent RSAs granted to senior executives for fiscal year 2024. The remaining 50% will be awarded in the form of performance share units, which will become earned and payable upon the same terms and conditions generally applicable to all PSUs granted to senior executives for fiscal year 2024.
- To compensate Mr. Sigrist for the unvested equity he will forfeit upon termination of his previous employment, he will be eligible to receive \$174,688, payable in a lump sum cash payment upon the first pay period that is 90 days after the November 1, 2023 employment start date and 2,652 time-vesting RSAs that will vest ratably over two years. If Mr. Sigrist does not forfeit the unvested equity with his previous employer, he will not be eligible to receive these amounts.
- Mr. Sigrist will also be eligible to participate in the Company's employee benefit plans, 401(k) plan and other benefits plans offered to the executive committee.

In the event of his involuntary termination of employment for cause or voluntary termination of employment within 12 months of November 1, 2023, Mr. Sigrist will be required to promptly repay to the Company any cash payments he received as a sign on bonus and/or compensation for the unvested equity he forfeited upon termination of his previous employment. All equity awards will be made under a new Company equity compensation plan, subject to stockholder approval of that plan.

The foregoing description of the Sigrist Offer Letter is qualified in its entirety by reference to the full text of such letter included as Exhibit 10.1 to this Current Report on Form 8-K and incorporated herein by reference.

There are no arrangements or understandings between Mr. Sigrist and any other persons pursuant to which Mr. Sigrist was selected as an officer, nor are there any family relationships between Mr. Sigrist and any of the Company's directors or other executive officers. Neither Mr. Sigrist nor any related person of Mr. Sigrist has a direct or indirect material interest in any existing or currently proposed transaction to which the Company is or may become a party that would require disclosure under Item 404(a) of Regulation S-K promulgated under the Securities Exchange Act of 1934, as amended (the "Exchange Act").

Item 7.01 Regulation FD Disclosure.

The Company issued a press release on October 5, 2023 regarding the appointment of Mr. Sigrist. A copy of the press release is attached to this report as Exhibit 99.1.

The information in this Item 7.01, including Exhibit 99.1, is being furnished and shall not be deemed "filed" for purposes of Section 18 of the Exchange Act, or otherwise subject to the liabilities thereof, nor shall it be deemed to be incorporated by reference in any filing under the Exchange Act or under the Securities Act of 1933, as amended, except to the extent specifically provided in any such filing.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits:

[Exhibit 10.1 Offer Letter between the Company and Gregory Sigrist, dated as of October 2, 2023](#)

[Exhibit 99.1 Registrant's Press Release dated October 5, 2023](#)

[Exhibit 104 Cover Page Interactive Data File \(the cover page iXBRL tags are embedded within the Inline XBRL document\)](#)

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.

PATHWARD FINANCIAL, INC.

Date: October 5, 2023

By: /s/ Glen W. Herrick
Glen W. Herrick
Executive Vice President and Chief Financial Officer



October 2, 2023

Dear Greg Sigrist:

I am writing to confirm our offer of employment as the Executive Vice President, Chief Financial Officer of Pathward, N.A. and Pathward Financial, Inc. (collectively, "Pathward"). I know you will find this opportunity challenging, rewarding and enjoyable.

This letter sets forth the terms of your offer and a general description of some of the benefits that will be available to you at Pathward.

Position	EVP, Chief Financial Officer effective immediately after filing of Form 10-K for fiscal year 2023; before that time, EVP, CFO-Designee
Start Date	November 1, 2023
Reporting To	Brett Pharr, Chief Executive Officer
Base Salary	\$500,000 per year
Annual cash incentive target opportunity	<p>Beginning in fiscal year 2024 (FY2024), you will be eligible for an annual cash incentive opportunity at a target equal to 85% of your base salary, subject to satisfaction of performance goals in the annual cash incentive plan established by the Compensation Committee, subject to pro ration based on the Start Date.</p> <p>Actual payouts can be lower or higher than target, commensurate with performance.</p> <p>After the beginning of FY2024, the Compensation Committee will determine performance metrics, weightings, and payout curve for the FY2024 cash incentive plan applicable to all senior executives, including you.</p>
Annual long-term incentive target opportunity	<p>Beginning in FY2024, you will be eligible for annual equity incentive awards pursuant to the Company's long-term equity incentive program established by the Compensation Committee, with an annual grant value at a target equal to 145% of your base salary, subject to pro ration based on the Start Date.</p> <p>Actual payouts can be lower or higher than target, commensurate with performance and changes in stock price.</p> <p>After the beginning of FY2024, the Compensation Committee will determine award mix and design for the FY2024 long-term equity incentive program applicable to all senior executives, including you.</p>
Sign on bonus of cash and equity	<p>You will be eligible to receive a sign on bonus in the cumulative amount of \$400,000, which will be paid and granted to you as indicated below.</p> <p>A cash bonus in the amount of \$100,000 payable in a lump sum upon the first pay period that is ninety (90) days after the Start Date.</p>

	<p>Equity awards under the FY2024 long-term equity incentive program in an amount equal to \$300,000, as follows:</p> <p>3,255 shares of performance-contingent restricted stock (RSAs) which will become earned and payable upon the same terms and conditions generally applicable to all performance-contingent RSAs granted to senior executives for FY2024.</p> <p>3,255 target number of performance share units (PSUs) which will become earned and payable upon the same terms and conditions generally applicable to all PSUs granted to senior executives for FY2024.</p>
Additional compensation	<p>To compensate you for the equity that you will forfeit upon your termination of employment with your current employer, you will be eligible to receive certain cash and equity awards, as follows:</p> <p>\$174,688 payable in a lump sum cash payment upon the first pay period that is ninety (90) days after the Start Date for 4,815 shares of unvested equity with your prior employer which would otherwise vest in March 2024.</p> <p>2,652 time-vesting RSAs with vesting 1/2 per year on October 16th of 2025 and 2026, as compensation for 3,369 shares of unvested equity with your prior employer which would otherwise vest in March of 2025 and 2026.</p> <p>If, for any reason, you do not forfeit the shares of unvested equity with your prior employer, you will not be eligible to receive the lump sum cash payment or the time-vesting RSAs described in this additional compensation section.</p>
Benefits	Eligible to participate in the Company's employee benefit plans, 401(k) plan and other benefit plans offered to the executive committee, including the Executive Severance Pay Policy.
Paid Time Off	Paid time off for executive officers is unlimited.

Nature of Cash Payments and Equity Awards

The cash payments described herein are intended to demonstrate Pathward's commitment to you and ease the transition from your previous employer. Therefore, in the event of your involuntary termination of employment for "Cause" (as defined in Pathward's Executive Severance Pay Policy) or voluntary termination of employment within twelve (12) months of the Start Date, you will be required to promptly repay to Pathward any cash payments you receive hereunder as a sign on bonus and/or compensation for the equity you forfeit upon your termination of employment.

Any equity awards granted to you hereunder will be made under the Company's 2023 Omnibus Incentive Plan, subject to stockholder approval of the 2023 Omnibus Incentive Plan. Such equity awards will contain the same terms and conditions generally applicable to all senior executives of Pathward, including for treatment upon termination of employment, and will be governed solely by the terms of the applicable award agreements and the 2023 Omnibus Incentive Plan.

Obligations to Previous Employers:

By signing this letter, you represent and warrant to Pathward that your acceptance of this offer and your resulting employment with Pathward will not conflict with, violate or constitute a breach of employment or other agreement to which you are a party and that you are not required to obtain the consent of any person, firm, corporation or other entity in order to accept this offer of employment. If we learn that this representation or warranty is incorrect, we may, in our discretion, withdraw this offer of employment and/or terminate your employment for cause.

Pathward strictly prohibits its employees from using or disseminating any confidential information of a previous employer and related materials while employed by Pathward. We are hereby advising you that Pathward does not want such confidential information nor does Pathward want you to utilize such information while employed by Pathward. By signing this letter, you agree that to the extent that you have any confidential information of a previous employer, you will not use, disclose or disseminate that confidential information, directly or indirectly, while employed by Pathward. Please note that if you violate this agreement, your employment may be terminated.

Conditions of Offer:

This offer of employment is conditioned upon approval of the terms of this offer by the Pathward Compensation Committee, verification of your eligibility to work in the United States and satisfactory completion of a reference check and pre-employment background investigation. Prior to your employment, you must also execute and return the enclosed Proprietary Rights, Non-Solicitation, Non-Disclosure and Confidentiality Agreement. In the event that any of these conditions are not met, Pathward reserves its right to withdraw this offer of employment. You will also be required to execute an Acknowledgment Form under Pathward's Dodd-Frank Clawback Policy once formally adopted.

Employment at Will:

Please understand that this letter is not a contract of employment and your employment with Pathward will be at-will. This means that either you or Pathward may terminate your employment at any time, for any reason not prohibited by law.

Please acknowledge your acceptance of the terms of your employment outlined above by signing and returning this letter to the attention of Nadia Dombrowski at ndombrowski@pathward.com.

Greg, I am excited about you becoming a member of the Pathward team. We look forward to hearing from you shortly.

Sincerely,

Brett Pharr

/s/ Brett Pharr

Acknowledged and agreed to by:

/s/ Gregory A. Sigrist

Gregory A. Sigrist

Enclosure: Proprietary Rights, Non-Solicitation, Non-Disclosure and Confidentiality Agreement



Pathward Appoints Greg Sigrist as Next Chief Financial Officer

SIOUX FALLS, S.D. – Oct. 5, 2023 – Pathward Financial, Inc. (Nasdaq: CASH) today announced that Greg Sigrist has been appointed executive vice president (“EVP”), chief financial officer (“CFO”) - designee, beginning Nov. 1, 2023. Immediately after the filing of the Company’s Form 10-K for fiscal year 2023, Mr. Sigrist will transition to EVP, CFO, when he will succeed Glen Herrick, who will remain with the Company to aid in the transition and other projects until his retirement on December 31, 2023.

“Greg has a broad, rich background that made him an excellent addition to the Pathward team. With over 20 years of banking experience, he has demonstrated solid leadership skills and significant financial and business acumen through multiple public company CFO roles. Greg’s expertise in strategy development, execution, and generating long term shareholder value will help Pathward on its path to delivering on its three strategic initiatives of optimizing the interest-earning portfolio, optimizing the deposit mix, and driving operating leverage,” said Brett Pharr, chief executive officer of Pathward Financial, Inc.

He continued, “On behalf of the Board of Directors and the entire team at Pathward, I want to thank Glen again for all that he has done over the last ten years. We truly appreciate his immeasurable contributions to the Company, including growing net income from \$13 million in fiscal 2013 to \$156 million in fiscal year 2022. He also helped lead the Company on an extraordinary evolution from a community bank to a diversified, entrepreneurial driven bank that included five acquisitions, the disposition of the community bank and the rebranding. Most recently, Glen continued to support us by postponing his retirement while we held a search for a new CFO and will be staying through the end of calendar year 2023 to ensure a smooth transition.”

Mr. Sigrist joins the Company after serving as EVP and CFO of Metropolitan Bank Holding Corp. and Metropolitan Commercial Bank for the past three years. Before joining Metropolitan, he served as the EVP and CFO of Columbia Banking System, Inc., from June 2018 until February 2020. Mr. Sigrist also spent 12 years with Morgan Stanley as a managing director in a number of senior financial roles, including CFO of Morgan Stanley Bank, N.A. from 2014 to early 2018. Prior to that, he served for five years as Vice President, Corporate Accounting Policy/M&A Finance with Citigroup. Mr. Sigrist built the foundation of his career spending 12 years between Ernst & Young and McGladrey & Pullen in senior auditing roles of financial services clients, including regional and community banks. Mr. Sigrist received a B.S. in Accounting with University Honors from Illinois State University and is a Certified Public Accountant.

Forward-Looking Statements

This release includes forward-looking statements within the meanings of the Private Securities Litigation Reform Act of 1995, Section 27A of the Securities Act, and Section 21E of the Exchange Act, including but not limited to statements about the anticipated use of net proceeds from the offering, the Exchange Offer and other matters. These statements are often, but not always, made through the use of words or phrases such as “may,” “might,” “should,” “could,” “predict,” “plan,” “project,” “believe,” “expect,” “continue,” “will,” “anticipate,” “intend,” “would,” “estimate,” “target,” “potential,” or other comparable words or phrases of a future or forward-looking nature. Accordingly, we caution you that any such forward-looking statements, including those with respect to Pathward delivering on strategic initiatives, are not guarantees of future performance and are subject to risks, assumptions, estimates and uncertainties that are difficult to predict. Although we believe that the expectations reflected in these forward-looking statements are reasonable as of the date made, actual results may prove to be materially different from the results expressed or implied by the forward-looking statements as a result of various risks, uncertainties and other factors. For a discussion of some of the risks and important factors that could affect our future results and financial condition, see our SEC filings, including, but not limited to, our Annual Report on Form 10-K for the fiscal year ended September 30, 2022. The Company expressly disclaims any intent or obligation to update any forward-looking statements, whether written or oral, that may be made from time to time by or on behalf of Pathward or its subsidiaries, whether as a result of new information, changed circumstances or future events, or for any other reason.

About Pathward Financial, Inc.

Pathward Financial, Inc. (Nasdaq: CASH) is a U.S.-based financial holding company driven by its purpose to power financial inclusion for all. Through our subsidiary, Pathward[®], N.A., we strive to increase financial availability, choice, and opportunity across our Banking as a Service and Commercial Finance business lines. These strategic business lines provide end-to-end support to individuals and businesses. Learn more at www.pathwardfinancial.com.

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