

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 24, 2025

<u>FLAGSTAR FINANCIAL, INC.</u> <small>(Exact Name of Registrant as Specified in Charter)</small>		
<u>Delaware</u> <small>(State or Other Jurisdiction of Incorporation)</small>	<u>1-31565</u> <small>Commission File Number</small>	<u>06-1377322</u> <small>(IRS Employer Identification No.)</small>
<u>102 Duffy Avenue, Hicksville, New York 11801</u> <small>(Address of principal executive offices)</small>		
<u>(516) 683-4100</u> <small>(Registrant's telephone number, including area code)</small>		

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

Title of each class	Trading symbol(s)	Name of each exchange on which registered
Common stock, \$0.01 par value per share	FLG	New York Stock Exchange
Bifurcated Option Note Unit Securities SM	FLG PRU	New York Stock Exchange
Depository Shares each representing a 1/40th interest in a share of Fixed-to-Floating Rate Series A Noncumulative Perpetual Preferred Stock	FLG PRA	New York Stock Exchange

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))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act (17 CFR 230.405) or Rule 12b-2 of the Exchange Act (17 CFR 240.12b-2).

Emerging growth company ☐

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

Item 1.01 **Entry into a Material Definitive Agreement**

On July 24, 2025, Flagstar Financial, Inc. (the “Company”), as part of an internal reorganization to streamline its corporate structure, entered into an Agreement and Plan of Merger (the “Plan of Merger”) with its wholly-owned bank subsidiary, Flagstar Bank, N.A., a nationally chartered banking association (the “Bank”). Under the terms of the Plan of Merger, the Company will be merged with and into the Bank (the “Merger”), with the Bank continuing as the surviving entity (the “Surviving Entity”). Under the Plan of Merger, the Surviving Entity will bear the name Flagstar Bank, N.A. and will continue to operate with its existing brand name and management teams in markets throughout the United States.

At the effective time of the Merger, the outstanding shares of the Company’s common and Series A preferred stock will be cancelled and cease to exist, and the outstanding shares of the Company’s common and Series A preferred stock will automatically be converted into an equivalent number of shares of the Surviving Entity’s common and Series A preferred stock. The Company’s Series B and Series D preferred stock shall also be converted into common stock of the Bank, except that such conversion shall instead be into non-voting equity securities that are substantially identical to the Series B and Series D preferred stock to the extent that ownership of the additional common stock would otherwise be prohibited by law or require approval by a government entity. As a result, subject to the foregoing limitations, the shares of capital stock of the Surviving Entity will be owned directly by the Company’s shareholders in the same proportion as their ownership of the Company’s capital stock immediately prior to the Merger. Further, each warrant to purchase either Series D preferred stock or common stock of the Company will be converted automatically into a warrant to purchase common stock of the Surviving Entity. Immediately following the Merger, the Surviving Entity will have substantially the same outstanding capital stock with substantially the same rights and privileges as the outstanding capital stock of the Company immediately prior to the Merger. Immediately after the Merger, the Surviving Entity will have substantially the same consolidated assets, liabilities and shareholders’ equity as the Company. The Surviving Entity will assume the Company’s debt obligations, equity incentive plans, equity compensation plans, and other compensation plans. As an initial step of closing the Merger, the Company will be an interim federal savings association, which will immediately merge with the Bank, with the Bank then continuing as the Surviving Entity.

Following the Merger, it is expected that the Surviving Entity will be a publicly traded company on the New York Stock Exchange (NYSE) under the same ticker symbol currently used by the Company, “FLG.” The Surviving Entity’s common stock will be registered with the Surviving Entity’s primary banking regulator, the Office of the Comptroller of the Currency (“OCC”), under the Securities Exchange Act of 1934, as amended. Following the Merger, the Surviving Entity will file periodic and current reports and other required materials with the OCC.

The Surviving Entity will have the same board of directors following the Merger as the Company had immediately prior thereto. Executive officers of the Company immediately prior to the Merger will hold the same positions and titles with the Surviving Entity following the Merger.

It is intended that the Merger will be treated for U.S. federal income tax purposes as a reorganization within the meaning of Section 368(a) of the Internal Revenue Code of 1986, as amended, with the result that shareholders of the Company will not recognize gain or loss as a result of the Merger.

The Plan of Merger has been approved by the boards of directors of each of the Company and the Bank. In connection with the Merger, the Company will hold a special meeting of its shareholders to consider and vote upon the Merger. The Merger is subject to various customary closing conditions.

The foregoing summary of the Merger and the terms and conditions of the Plan of Merger does not purport to be complete and is qualified in its entirety by reference to the complete text of the Plan of Merger, which is attached hereto as Exhibit 2.1 and incorporated herein by reference.

Item 7.01 **Regulation FD Disclosures**

Beginning on July 24, 2025, Flagstar Financial, Inc. (the “Company”) intends to distribute and make available to investors, and to post on its website, the written presentation attached hereto as Exhibit 99.2.

Item 9.01

Financial Statements and Exhibits

- (d)(i) Attached as Exhibit 2.1 is the Agreement and Plan of Merger dated July 24, 2025 between Flagstar Financial, Inc. and Flagstar Bank, N.A.
- (d)(ii) Attached as Exhibit 99.1 is the press release issued by the Company on July 24, 2025 to discuss the Agreement and Plan of Merger entered into with Flagstar Bank, N.A.
- (d)(iii) Attached as Exhibit 99.2 is the text of a written presentation that the Company intends to distribute and make available to investors, and to post on its website, beginning on July 24, 2025.

Exhibit No.	Description of Exhibit
2.1	Agreement and Plan of Merger dated July 24, 2025 between Flagstar Financial, Inc. and Flagstar Bank, N.A.
99.1	Press release issued by the Company on July 24, 2025
99.2	Written presentation to be distributed and made available to investors, and posted on the Company's website, beginning July 24, 2025
104	Cover Page Interactive Data File (embedded within the Inline XBRL document).

SIGNATURE

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.

Date: July 24, 2025

FLAGSTAR FINANCIAL, INC.

/s/ Bao Nguyen

Bao Nguyen

Senior Executive Vice President, General Counsel and Chief of Staff

AGREEMENT AND PLAN OF MERGER
OF
FLAGSTAR FINANCIAL, INC.
AND
FLAGSTAR BANK, N.A.

This Agreement and Plan of Merger (this "Agreement"), dated as of July 24, 2025, is adopted and made by and between FLAGSTAR FINANCIAL, INC., a Delaware corporation that will, prior to the Effective Time, convert into FLAGSTAR FINANCIAL, FEDERAL SAVINGS ASSOCIATION, an interim federal savings association chartered by the Office of the Comptroller of the Currency (the "Conversion") (either Flagstar Financial, Inc. or Flagstar Financial, Federal Savings Association, as the case may be, is the "Company"), and FLAGSTAR BANK, NATIONAL ASSOCIATION, a banking association organized under the laws of the United States with its main office in Hicksville, New York (the "Bank").

WITNESSETH:

WHEREAS, the respective Boards of Directors of the Company and the Bank have each adopted a resolution approving this Agreement, authorizing the execution hereof and recommending that this Agreement and the merger of the Company with and into the Bank (the "Merger") contemplated hereby be submitted to the shareholders of the Company and the Bank, respectively, for approval;

WHEREAS, prior to the Effective Time, the Company intends to convert into Flagstar Financial, Federal Savings Association, an interim federal savings association chartered by the Office of the Comptroller of the Currency; and

WHEREAS, it is intended that each of the Conversion and the Merger for federal tax purposes qualify as a "reorganization" within the meaning of Section 368(a) of the Internal Revenue Code of 1986, as amended (the "Code") and this Agreement will constitute a plan of reorganization for purposes of Sections 354 and 361 of the Code.

NOW, THEREFORE, in consideration of the mutual covenants and agreements hereinafter set forth and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and subject to the terms and conditions of this Agreement, the parties hereto agree as follows:

ARTICLE I

Merger

1.1 Merger. Subject to the terms and conditions of this Agreement, effective as of the Effective Time (as defined below), the Company shall be merged with and into the Bank in accordance with the laws of the State of Texas with the effect provided in Tex. Fin. Code § 62.352 and the laws of the United States with the effect provided in 12 U.S.C. § 1828(c). At the Effective

Time, the separate existence of the Company shall cease, and the Bank, as the surviving entity (sometimes hereinafter referred to as the "Surviving Entity"), shall continue as a national bank association governed by the laws of the United States.

1.2 Effective Time. The Merger shall become effective, and the effective time shall occur, upon the date and time set forth in the articles of merger and in the letter issued by the Office of the Comptroller of the Currency certifying the effectiveness of the Merger (such date and time being herein referred to as the "Effective Time").

ARTICLE II

Charter, Bylaws, Etc.

2.1 Articles of Association. At the Effective Time, the articles of association of the Bank in effect immediately prior to the Effective Time shall be the articles of association of the Surviving Entity until thereafter amended in accordance with the applicable law.

2.2 Bylaws. At the Effective Time, the bylaws of the Bank in effect immediately prior to the Effective Time shall be the bylaws of the Surviving Entity until thereafter amended in accordance with applicable law.

2.3 Directors and Officers. At the Effective Time, the directors of the Bank immediately prior to the Effective Time will continue as the directors of the Surviving Entity and the officers of the Bank immediately prior to the Effective Time will continue as the officers of the Surviving Entity, in each case, until thereafter changed in accordance with the articles of association and bylaws of the Surviving Entity.

ARTICLE III

Conversion of Shares

3.1 Effect on Capital Stock. At the Effective Time, as a result of the Merger and without any action on the part of the holder of any shares of the capital stock of the Company, Bank or Surviving Entity:

(a) Outstanding Company Common Stock. Each share of common stock of the Company ("Company Common Stock") issued and outstanding immediately prior to the Effective Time shall be canceled and converted into the right to receive one share of common stock of the Bank ("Bank Common Stock"). Any fraction of a share of Company Common Stock shall be converted into the right to receive the same fraction of a share of Bank Common Stock.

(b) Outstanding Company Preferred Stock. Each share of:

(i) Fixed-to-Floating Rate Series A Noncumulative Perpetual Preferred Stock of the Company ("Company Series A") issued and outstanding immediately

prior to the Effective Time shall be canceled and converted into the right to receive one share of Fixed-to-Floating Rate Series A Noncumulative Perpetual Preferred Stock of the Bank ("Bank Series A");

(ii) Series B Noncumulative Convertible Preferred Stock ("Company Series B") issued and outstanding immediately prior to the Effective Time shall be canceled and converted into the right to receive the number of shares of Bank Common Stock that would be receivable in the Merger by a holder of the number of shares of Company Common Stock into which such share of Company Series B was convertible immediately prior to the Merger; provided that, to the extent receipt of Bank Common Stock in the Merger would be prohibited by law or require the shareholder to obtain any consent, authorization, approval, license or permit of any governmental entity to acquire or hold such Bank Common Stock, then the portion of Company Series B that is prohibited or requires such action to acquire or hold shall instead convert into a substantially identical non-voting security (with commensurate voting powers and conversion rights as the Company Series B) of the Bank; and

(iii) Series D Non-Voting Common Equivalent Preferred Stock ("Company Series D" and together with Company Series A and Company Series B, the "Company Preferred Stock") issued and outstanding immediately prior to the Effective Time shall be canceled and converted into the right to receive the number of shares of Bank Common Stock that would be receivable in the Merger by a holder of the number of shares of Company Common Stock into which such share of Company Series D was convertible immediately prior to the Merger; provided that, to the extent receipt of Bank Common Stock in the Merger would be prohibited by law or require the shareholder to obtain any consent, authorization, approval, license or permit of any governmental entity to acquire or hold such Bank Common Stock, then the shares of Company Series D that would result in the holder holding an amount of Bank Common Stock that would be prohibited or require consent, authorization, approval, license or permit of any governmental entity to acquire or hold shall instead convert into a substantially identical non-voting security (with commensurate voting powers and conversion rights as the Company Series D) of the Bank.

(c) Cancellation of Certificated Shares. Each holder of certificates that represent shares of Company Common Stock or Company Preferred Stock (collectively, "Company Capital Stock") immediately prior to the Effective Time shall be entitled to receive new certificates evidencing shares of Bank Common Stock or Bank preferred stock (collectively, "Bank Capital Stock") as provided for in Section 3.1(a) or 3.1(b), as applicable, or an equivalent number of shares of Bank Capital Stock in book-entry form, as provided for in Section 3.1(a) or 3.1(b), as applicable, by complying with such reasonable and customary procedures as may be established by the Surviving Entity and/or its transfer agent to effectuate the intent and purposes.

(d) Effect on Bank Capital Stock. Each share of Bank Capital Stock issued and outstanding immediately prior to the Effective Time shall be automatically cancelled and shall cease to exist, and no consideration shall be delivered in exchange therefor. The Bank Capital Stock issued in the Merger to the holders of Company Capital Stock immediately prior to the Merger shall be the only Bank Capital Stock outstanding as of the Effective Time.

(e) Company Warrants.

(i) At the Effective Time, as a result of the Merger and without any action on the part of the holder thereof, each warrant to purchase Company Series D (the "Company Series D Warrants") will cease to represent a warrant to purchase Company Series D and will be converted automatically into a warrant to purchase the number of shares of Bank Common Stock that a holder of the number of shares of Company Series D to which the particular Company Series D Warrant relates immediately prior to the Merger would be entitled to receive in the Merger;

(ii) At the Effective Time, as a result of the Merger and without any action on the part of the holder thereof, each warrant to purchase Company Common Stock (the "Company Common Stock Warrants") forming part of a unit of the Company's outstanding Bifurcated Option Note Unit SecuritiesSM (the "BONUSES Units") will cease to represent a warrant to purchase Company Common Stock and will be converted automatically into a warrant to purchase Bank Common Stock.

3.2 Company Equity Awards and other Company Benefit Plans.

(a) Each of the Company and the Bank shall take all actions as may be necessary so that at the Effective Time, each Company Equity Award shall automatically be converted into an equity award covering that number of shares of Bank Common Stock equal to the number of shares of Company Common Stock subject to such Company Equity Award.

(b) At the Effective Time, by operation of this Agreement and by reason of the Merger becoming effective, the Company shall assign to the Bank, and the Bank, as the Surviving Entity, shall assume and agree to honor, perform and discharge, all obligations of the Company pursuant to the Company Equity Plans (inclusive of the Company Equity Awards as converted in accordance with Section 3.2(a)) and the Company Benefit Plans. Each Company Equity Award and each obligation under a Company Benefit Plan so assumed by the Bank pursuant to this Agreement will continue to have, and be subject to, the same terms and conditions (including vesting, exercisable, forfeiture and settlement terms) as set forth in the applicable Company Equity Plan or Company Benefit Plan, respectively, and any grant, award or similar agreements thereunder as in effect immediately prior to the Effective Time.

(c) At the Effective Time, the Company Equity Plans and the Company Benefit Plans and in each case, any grant, award or similar agreements evidencing awards, rights or obligations thereunder shall each automatically be deemed to be amended as necessary to provide that references to the Company in such agreements shall be read to refer to the Bank. The Company and the Bank agree that they will, at or promptly following the Effective Time, execute, acknowledge and deliver any and all instruments, agreements or documents necessary or desirable to effect or memorialize the assignments and assumptions contemplated by this Section 3.2.

(d) Definitions. For purposes of this Section 3.2, the following terms shall have the meanings provided below:

(i) “Company Benefit Plans” means all compensation, retirement, benefit, incentive or other similar plans, programs, policies, practices, agreements, contracts, arrangements or other obligations, whether or not in writing, including those providing for bonuses, severance or separation, tax-qualified and non-qualified retirement, supplemental retirement, profit sharing, health and welfare, deferred compensation, cash balance, insurance, vacation, fringe or other benefits or remuneration of any kind and any employment, consulting, severance, termination, indemnification, retirement, change in control or similar agreements, in each case, which is sponsored or maintained by, or required to be contributed to, or with respect to which any potential liability is borne by the Company with respect to any of its current or former directors, officers, employees or other service providers, excluding any Company Equity Plan.

(ii) “Company Equity Awards” means all awards of stock options, restricted stock, restricted stock units, performance-based stock units, deferred units, stock appreciation rights and phantom units, any other equity or equity-based awards and any right of any kind to acquire or receive shares of Company Common Stock or benefits measured by the value of shares of Company Common Stock, in each case, issued under the Company Equity Plans and outstanding at the Effective Time.

(iii) “Company Equity Plans” means all equity incentive compensation plans of the Company and any of its predecessors that provide for the purchase, grant or issuance of shares of Company Common Stock or awards convertible into, exchangeable for or denominated in shares of Company Common Stock, which are effective at the Effective Time, including the Queens County Savings Bank Directors’ Deferred Fee Stock Unit Plan, the Flagstar Bancorp, Inc. 2016 Stock Award and Incentive Plan, the New York Community Bancorp, Inc. Management Incentive Compensation Plan, the New York Community Bancorp, Inc. 2012 Stock Incentive Plan, and the New York Community Bancorp, Inc. 2020 Omnibus Incentive Plan.

ARTICLE IV
Conditions to the Merger

4.1 Conditions to the Merger. The respective obligations of each of the Company and the Bank to consummate the Merger are subject to the fulfillment, or written waiver by the other party entitled to satisfaction thereof prior to the Effective Time, of each of the following conditions:

(a) This Agreement and the Conversion shall have been approved by holders of Company Common Stock constituting a majority of all votes entitled to be cast on such matter at a shareholder meeting duly called and held for such purpose and shall have been ratified and confirmed by the sole shareholder of the Bank, in each case, in accordance with applicable law and the certificate of incorporation and articles of association, respectively, and the bylaws of each such entity.

(b) The Bank shall have caused the shares of Bank Common Stock and Bank Series A issued in the Merger and the BONUS Units to be authorized for listing on the NYSE, subject to official notice of issuance.

(c) All approvals and authorizations of, filings and registrations with, and notifications to, all governmental authorities required for the consummation of the Merger shall have been obtained or made by the Company and the Bank, and shall be in full force and effect and all waiting periods required by law shall have expired.

(d) The Conversion shall have been effectuated.

(e) No governmental authority of competent jurisdiction shall have enacted, issued, promulgated, enforced or entered any statute, rule, regulation, judgment, decree, injunction or other order (whether temporary, preliminary or permanent) that is in effect and prohibits consummation of the transactions contemplated by this Agreement.

(f) All third party consents and approvals required, or deemed by the Board of Directors of the Company advisable, to be obtained under any material note, bond, mortgage, deed of trust, security interest, indenture, law, regulation, lease, license, contract, agreement, plan, instrument or obligation to which the Company or any subsidiary or affiliate of the Company is a party, or by which the Company or any subsidiary or affiliate of the Company, or any property of the Company or any subsidiary or affiliate of the Company, may be bound, in connection with the Conversion and the Merger and the transactions contemplated thereby, shall have been obtained by the Company or its subsidiary or affiliate, as the case may be.

(g) The Board of Directors of the Company shall have received evidence in form and substance reasonably satisfactory to it that the Merger will qualify as a “reorganization” within the meaning of Section 368(a).

ARTICLE V

Covenants

5.1 Meeting of Company Shareholders. The Company shall take, in accordance with applicable laws of the State of Delaware and its certificate of incorporation and bylaws, all action necessary to convene a meeting of holders of Company Common Stock (the “Company Shareholders Meeting”) as promptly as practicable to consider and vote upon the approval of this Agreement.

5.2 Proxy Statement. For the purpose of holding the Company Shareholders Meeting, the Company shall draft and prepare, and the Bank shall cooperate in the preparation of, a proxy statement.

5.3 Notes. Upon the Effective Time, the Bank shall expressly assume, by one or more indenture supplements, executed and delivered to the applicable trustee, in form satisfactory to such trustee, the due and punctual payment on each of the 7.573% Fixed-to-Floating Rate Subordinated Notes due November 6, 2028 and the 4.125% Fixed-to-Floating Rate Subordinated Notes due November 1, 2030 (collectively, the “Notes”), issued pursuant to the applicable indentures and supplemental indentures and the performance or observance of every covenant of such indentures on the part of the Company to be performed or observed. In connection therewith, the Company and the Bank shall execute and deliver any documents required to make such assumptions effective and shall provide any opinion of counsel to the trustee thereof if requested.

5.4 Trust Preferred Securities. Upon the Effective Time, the Bank shall expressly assume, by one or more indenture supplements, executed and delivered to the applicable trustee, in form satisfactory to such trustee, the due and punctual payment on each of the junior subordinated debentures issued to New York Community Capital Trust V (BONUSES Units), New York Community Capital Trust X, PennFed Capital Trust III, New York Community Capital Trust XI, Flagstar Statutory Trust II, Flagstar Statutory Trust III, Flagstar Statutory Trust IV, Flagstar Statutory Trust V, Flagstar Statutory Trust VI, Flagstar Statutory Trust VII, Flagstar Statutory Trust VIII, Flagstar Statutory Trust IX, Flagstar Statutory Trust X (collectively, the “Debentures”), issued pursuant to the applicable indentures and supplemental indentures and the performance or observance of every covenant of such indentures on the part of the Company to be performed or observed. In connection therewith, the Company and the Bank shall execute and deliver any documents required to make such assumptions effective and shall provide any opinion of counsel to the trustee thereof if requested.

5.5 Stock Exchange Listing and Delisting. As soon as practicable after the date hereof, the Surviving Entity shall use its commercially reasonable efforts to cause the shares of Bank Common Stock and Bank Series A issued in the Merger, as well as the BONUSES Units, each to

be approved for listing on the NYSE, subject to official notice of issuance. The Company shall use commercially reasonable efforts to take, or cause to be taken, all actions, and do or cause to be done all things, reasonably necessary, proper or advisable on its part under applicable laws and rules and policies of the NYSE to enable the delisting by the Surviving Entity of the Company Common Stock and Company Preferred Stock from the NYSE and the deregistration of such securities under the Securities Exchange Act of 1934 as soon as practicable following the Effective Time.

5.6 Other Actions. During the period from the date of this Agreement and continuing until the Effective Time, each of the parties hereto agrees to use all commercially reasonable efforts to take, or cause to be taken, all actions and to do, or cause to be done, all things necessary, proper or advisable under applicable laws and regulations to consummate and make effective the transactions contemplated by this Agreement.

5.7 Further Documents. If at any time the Surviving Entity shall consider or be advised that any further deeds, assignments, conveyances or assurances in law are necessary or desirable to vest, perfect or confirm of record in the Surviving Entity the title to any property or rights of the constituent entities, or otherwise to carry out the provisions hereof, the persons who were the proper officers and directors of the constituent entities immediately prior to the Effective Time (or their successors in office) shall execute and deliver any and all proper deeds, assignments, conveyances and assurances in law, and do all things necessary or desirable, to vest, perfect or confirm title to such property or rights in the Surviving Entity and otherwise to carry out the provisions hereof.

5.8 Tax Treatment. It is intended that for United States federal income tax purposes (i) each of the Conversion and the Merger will qualify as a "reorganization" within the meaning of Section 368(a) of the Code and (ii) this Agreement will constitute a plan of reorganization within the meaning of Treasury Regulation Section 1.368-2(g). Neither the Company nor the Bank will take any action inconsistent with the treatment of the Merger as a reorganization within the meaning of Section 368(a) of the Code.

ARTICLE VI

Termination

6.1 Termination. This Agreement may be terminated at any time prior to the Effective Time by an instrument executed by each of the parties hereto.

ARTICLE VII

Miscellaneous

7.1 Representations and Warranties. Each of the parties hereto represents and warrants that this Agreement has been duly authorized, executed and delivered by such party and constitutes the legal, valid and binding obligation of such party, enforceable against it in accordance with the terms hereof.

7.2 Entire Agreement. This Agreement (including the documents and instruments referred to herein and attached hereto) constitutes the entire agreement among the parties with respect to the subject matter hereof and supersedes all prior agreements and understandings, both written and oral, among the parties with respect to the subject matter hereof.

7.3 Counterparts. This Agreement may be executed in counterparts (including by facsimile or other electronic means), each of which shall be deemed to be an original, but all of which shall constitute one and the same agreement.

7.4 Severability. In the event that any one or more provisions of this Agreement shall for any reason be held invalid, illegal or unenforceable in any respect, by any court of competent jurisdiction, such invalidity, illegality or unenforceability shall not affect any other provisions of this Agreement and the parties hereto shall use their reasonable efforts to substitute a valid, legal and enforceable provision which, insofar as practical, implements the purposes and intents of this Agreement.

7.5 Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Delaware, without regard to choice of law principles, except to the extent that the federal laws of the United States shall be applicable hereto.

7.6 Assignment; Third-Party Beneficiaries. This Agreement shall not be assignable by operation of law or otherwise. Any purported assignment in contravention hereof shall be null and void. This Agreement (including the documents and instruments referred to in this Agreement) is not intended to and does not confer upon any person other than the parties hereto any rights or remedies under this Agreement.

7.7 Nonsurvival of Agreements. None of the agreements in this Agreement or in any instrument delivered pursuant to this Agreement shall survive the Effective Time or termination of this Agreement as provided in Article VI.

7.8 Amendment. This Agreement may not be amended, except by an instrument in writing signed on behalf of each of the parties hereto.

[Signature page follows]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed on their behalf by their respective officers thereunto duly authorized as of the day and year first written above.

FLAGSTAR FINANCIAL, INC.

By: /s/ Joseph Otting
Name: Joseph Otting
Title: President & Chief Executive Officer

FLAGSTAR BANK, NATIONAL ASSOCIATION

By: /s/ Joseph Otting
Name: Joseph Otting
Title: President & Chief Executive Officer

NEWS RELEASE**FOR IMMEDIATE RELEASE****Investor Contact:**Salvatore J. DiMartino
516-683-4286**Media Contact:**Steven Bodakowski
248-312-5872**FLAGSTAR FINANCIAL, INC. ANNOUNCES ACTIONS TO ENHANCE ITS
CORPORATE STRUCTURE BY MERGING HOLDING COMPANY INTO
THE BANK**

HICKSVILLE, N.Y., July 24, 2025 – Flagstar Financial, Inc. (NYSE: FLG) (the “Company”) the holding company for Flagstar Bank, N.A., (the “Bank”), announced today that its Board of Directors has approved a merger agreement between the Company and the Bank whereby the Company will merge into the Bank, with the Bank as the surviving entity (the “Reorganization”). The resulting entity will continue to be known as Flagstar Bank, N.A. and its common stock will continue to trade on the New York Stock Exchange (“NYSE”) under the same ticker symbol currently used by the Company – “FLG”.

The Reorganization will further reduce costs, simplify our organizational structure, streamline managerial, operational, and administrative functions throughout the Bank, eliminate redundant corporate activities and duplicative supervision and regulation.

The Reorganization is subject to both regulatory and shareholder approval. The Company expects to file a proxy statement and other proxy materials with the Securities and Exchange Commission in connection with the Reorganization during the third quarter of 2025. Assuming receipt of required regulatory approvals and an affirmative vote by shareholders, the Company expects to consummate the Reorganization before year-end.

Commenting on this action, Joseph M. Otting, Chairman, President, and CEO stated, “We continue to make significant progress on our journey of building a well-capitalized, diversified, and top-performing regional bank. This action of simplifying our legal, regulatory, and corporate structure accelerates this mission by reducing unnecessary costs and ensures our focus remains on the customers and communities we serve.”



Flagstar Financial, Inc.

Flagstar Financial Inc. is the parent company of Flagstar Bank, N.A., one of the largest regional banks in the country. The Company is headquartered in Hicksville, New York. At March 31, 2025, the Company had \$97.6 billion of assets, \$67.1 billion of loans, deposits of \$73.9 billion, and total stockholders' equity of \$8.2 billion. Flagstar Bank, N.A. operates approximately 400 locations across nine states, with strong footholds in the greater New York/New Jersey metropolitan region and in the upper Midwest, along with a significant presence in fast-growing markets in Florida and the West Coast.

Cautionary Statements Regarding Forward-Looking Language

This press release and any associated conference call may include forward-looking statements by the Company and our authorized officers pertaining to such matters as our goals, beliefs, intentions, and expectations regarding, among other things: (a) revenues, earnings, loan production, asset quality, liquidity position, capital levels, risk analysis, divestitures, acquisitions, and other material transactions, among other matters; (b) the future costs and benefits of the actions we may take; (c) our assessments of credit risk and probable losses on loans and associated allowances and reserves; (d) our assessments of interest rate and other market risks; (e) our ability to achieve profitability goals within projected timeframes and to execute on our strategic plan, including the sufficiency of our internal resources, procedures and systems; (f) our ability to attract, incentivize, and retain key personnel and the roles of key personnel; (g) our ability to achieve our financial and other strategic goals, including those related to the Reorganization, our merger with Flagstar Bancorp, Inc., which was completed in December 2022, our acquisition of substantial portions of the former Signature Bank through an FDIC-assisted transaction, which was completed in March 2023, and our ability to fully and timely implement and maintain the risk management programs institutions greater than \$100 billion in assets must maintain for so long as we are subject to such requirements; (h) the impact of the \$1.05 billion capital raise we completed in March 2024; (i) our previously disclosed material weaknesses in internal control over financial reporting; (j) the conversion or exchange of shares of the Company's preferred stock; (k) the payment of dividends on shares of the Company's capital stock, including adjustments to the amount of dividends payable on shares of the Company's preferred stock; (l) the availability of equity and dilution of existing equity holders associated with future equity awards and stock issuances; (m) the effects of the reverse stock split we effected in July 2024; (n) the impact of the recent sale of our mortgage servicing operations, third party mortgage loan origination business, and mortgage warehouse business; and (o) our ability to obtain shareholder and regulatory approval and effectively consummate the proposed Reorganization.

Forward-looking statements are typically identified by such words as "believe," "expect," "anticipate," "intend," "outlook," "estimate," "forecast," "project," "should," "confident," and other similar words and expressions, and are subject to numerous assumptions, risks, and uncertainties, which change over time. Additionally, forward-looking statements speak only as of the date they are made; the Company does not assume any duty, and does not undertake, to update our forward-looking statements. Furthermore, because forward-looking statements are subject to

assumptions and uncertainties, actual results or future events could differ, possibly materially, from those anticipated in our statements, and our future performance could differ materially from our historical results.

Our forward-looking statements are subject to, among others, the following principal risks and uncertainties: general economic conditions and trends, either nationally or locally; conditions in the securities, credit and financial markets; changes in interest rates; changes in deposit flows, and in the demand for deposit, loan, and investment products and other financial services; changes in real estate values; changes in the quality or composition of our loan or investment portfolios, including associated allowances and reserves; changes in future allowance for credit losses, including changes required under relevant accounting and regulatory requirements; the ability to pay future dividends; changes in our capital management and balance sheet strategies and our ability to successfully implement such strategies; recent turnover in our Board of Directors and our executive management team; changes in our strategic plan, including changes in our internal resources, procedures and systems, and our ability to successfully implement such plan; our ability to successfully remediate our previously disclosed material weaknesses in internal control over financial reporting; changes in competitive pressures among financial institutions or from non-financial institutions; changes in legislation, regulations, and policies; the impacts of tariffs, sanctions and other trade policies of the United States and its global trading counterparts; the outcome of federal, state, and local elections and the resulting economic and other impact on the areas in which we conduct business; the imposition of restrictions on our operations by bank regulators; the outcome of pending or threatened litigation, or of investigations or any other matters before regulatory agencies, whether currently existing or commencing in the future; our ability to fully and timely implement and maintain the risk management programs institutions greater than \$100 billion in assets must maintain for so long as we are subject to such requirements; the restructuring of our mortgage business; our ability to recognize anticipated cost savings and enhanced efficiencies with respect to our balance sheet and expense reduction strategies; the impact of failures or disruptions in or breaches of the Company's operational or security systems, data or infrastructure, or those of third parties, including as a result of cyberattacks or campaigns; the impact of natural disasters, extreme weather events, civil unrest, international military conflict, terrorism or other geopolitical events; and a variety of other matters which, by their nature, are subject to significant uncertainties and/or are beyond our control. Our forward-looking statements are also subject to the following principal risks and uncertainties with respect to our merger with Flagstar Bancorp, which was completed in December 2022, and our acquisition of substantial portions of the former Signature Bank through an FDIC-assisted transaction, which was completed in March 2023: the possibility that the anticipated benefits of the transactions will not be realized when expected or at all; the possibility of increased legal and compliance costs, including with respect to any litigation or regulatory actions related to the business practices of acquired companies or the combined business; diversion of management's attention from ongoing business operations and opportunities; the possibility that the Company may be unable to achieve expected synergies and operating efficiencies in or as a result of the transactions within the expected timeframes or at all; and revenues following the transactions



may be lower than expected. In addition, our forward-looking statements are subject to the following principal risks and uncertainties, among others, with respect to the proposed holding company reorganization transaction: the potential timing or consummation of the proposed transaction and receipt of regulatory approvals or determinations, or the anticipated benefits thereof, including, without limitation, future financial and operating results; risks and uncertainties related to the ability to obtain shareholder and regulatory approvals or determinations, or the possibility that such approvals or determinations may be delayed; the imposition by regulators of conditions or requirements that are not favorable to us; our ability to achieve anticipated benefits from the consolidation and regulatory determinations; and legislative, regulatory and economic developments that may diminish or eliminate the anticipated benefits of the consolidation.

More information regarding some of these factors is provided in the Risk Factors section of our Annual Report on Form 10-K for the year ended December 31, 2024, and in other SEC reports we file. Our forward-looking statements may also be subject to other risks and uncertainties, including those we may discuss in this news release, on our conference call, during investor presentations, or in our SEC filings, which are accessible on our website and at the SEC's website, www.sec.gov.

Except as required by law, the Company specifically disclaims any obligation to update any factors or to publicly announce the result of revisions to any of the forward-looking statements included herein to reflect future events or developments.

Important Additional Information and Where to Find It

Flagstar Financial, Inc. will file a proxy statement and other relevant documents concerning the proposed transaction with the Securities and Exchange Commission (SEC). INVESTORS ARE URGED TO READ THE PROXY STATEMENT WHEN IT BECOMES AVAILABLE AND ANY OTHER RELEVANT DOCUMENTS FILED WITH THE SEC BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION. You will be able to obtain the documents free of charge at the website maintained by the SEC at www.sec.gov. In addition, you may obtain documents filed with the SEC by the Company free of charge by contacting: Investor Relations, Flagstar Financial, Inc., 102 Duffy Avenue, Hicksville, NY 11801. Phone: (516) 683-4420

Participants in Proxy Solicitation

Flagstar Financial, Inc. and its respective directors and executive officers may be deemed to be participants in the solicitation of proxies from the Company's shareholders in connection with the proposed transaction. Information about the directors and executive officers of the Company and their ownership of Company stock is set forth in the proxy statement for the Company's 2025 Annual Meeting of Shareholders. Investors may obtain additional information regarding the interests of such participants by reading the proxy statement for the proposed transaction when it becomes available.



**Flagstar to Enhance Corporate Structure by
Eliminating the Bank Holding Company**
July 24, 2025



Cautionary Statement



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Flagstar Intends to Eliminate Bank Holding Company



Current Structure

**Flagstar Financial, Inc.
(Bank Holding Company)**

Flagstar Bank, N.A.

New Structure

Flagstar Bank, N.A.

Benefits

- Continuation of simplification efforts further driving efficiencies
 - Streamline managerial, operational, and administrative functions throughout the Bank
 - Simplify organizational structure
 - Eliminate redundant corporate activities
- Reduction in duplicative supervision and regulation
- Estimated annual cost savings of ~\$15 million

Next Steps

- August 2025 – issue preliminary proxy with target date for shareholder meeting in October 2025
- October 2025 – shareholder meeting
- Fourth Quarter 2025 – Merger expected to be completed, subject to receipt of shareholder and OCC approval

Note: See cautionary statements on page 2

