

PRUDENTIAL BANCORP INC OF PENNSYLVANIA
Form DEF 14A
January 08, 2010

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 [X]
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))
- [X] Definitive Proxy Statement
- [] Definitive Additional Materials
- [] Soliciting Material Pursuant to §240.14a-12

Prudential Bancorp, Inc. of Pennsylvania
(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):

- [X] No fee required.
- [] Fee computed on table below per Exchange Act Rules 14a-6(i)(4) and 0-11.

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(1) Amount Previously Paid: _____

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(3) Filing Party: _____

(4) Date Filed: _____

January 8, 2010

Dear Shareholder:

You are cordially invited to attend the Annual Meeting of Shareholders of Prudential Bancorp, Inc. of Pennsylvania. The meeting will be held at the Holiday Inn – Philadelphia Stadium, located at 900 Packer Avenue, Philadelphia, Pennsylvania, on Monday, February 8, 2010 at 11:00 a.m., Eastern time.

The Board of Directors unanimously recommends a vote "FOR" election of our nominees for director for a three-year term expiring in 2013, "FOR" the approval of the Plan of Reorganization pursuant to which Prudential Bancorp and Prudential Mutual Holding Company will become federally chartered companies and "FOR" ratification of the appointment of S.R. Snodgrass, A.C. as our independent registered public accounting firm for the fiscal year ending September 30, 2010. 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, 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. of Pennsylvania is sincerely appreciated.

Very truly yours,
Thomas A. Vento
President and Chief Executive Officer

PRUDENTIAL BANCORP, INC. OF PENNSYLVANIA

1834 West Oregon Avenue

Philadelphia, Pennsylvania 19145

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS

TIME 11:00 a.m., Eastern time, Monday, February 8, 2010

PLACE Holiday Inn – Philadelphia Stadium
900 Packer Avenue
Philadelphia, Pennsylvania

ITEMS OF BUSINESS

- (1) To elect two directors for a three-year term and until their successors are elected and qualified;
- (2) To approve the Plan of Reorganization pursuant to which Prudential Bancorp and Prudential Mutual Holding Company will become federally chartered companies;
- (3) To ratify the appointment of S.R. Snodgrass, A.C. as our independent registered public accounting firm for the fiscal year ending September 30, 2010; and
- (4) 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 24, 2009 are entitled to vote at the meeting.

ANNUAL REPORT Our 2009 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 whose shares are held in "street" name 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 voting instruction card. 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

Philadelphia, Pennsylvania

January 8, 2010

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MEETING DIRECTIONS

From Points North and East:
 Take I-76 West toward Camden/
 Philadelphia
 Take exit 350 – Seventh Street
 toward Packer Avenue
 Turn right on Packer Avenue
 End at 900 Packer Avenue

From Points West:
 Take I-76 East/Schuykill Expressway East
 Take exit 350 – Seventh Street toward Packer Avenue
 Turn right on Packer Avenue
 End at 900 Packer Avenue

From Points South:
 Take I-95 North
 Take exit 17-SR611 North/S. Broad
 Street toward Pattison Ave.
 Turn right on Packer Avenue
 End at 900 Packer Avenue

PROXY STATEMENT
OF
PRUDENTIAL BANCORP, INC. OF PENNSYLVANIA

ABOUT THE ANNUAL MEETING OF SHAREHOLDERS

General. This proxy statement is furnished to holders of common stock of Prudential Bancorp, Inc. of Pennsylvania, the parent holding company of Prudential Savings Bank. Our Board of Directors is soliciting proxies to be used at the Annual Meeting of Shareholders to be held at the Holiday Inn – Philadelphia Stadium, located at 900 Packer Avenue, Philadelphia, Pennsylvania, on Monday, February 8, 2010 at 11:00 a.m., Eastern time, and any adjournment thereof, for the purposes set forth in the Notice of Annual Meeting of Shareholders. This proxy statement is first being mailed to shareholders on or about January 8, 2010.

Important Notice Regarding the Availability of Proxy Materials for the Shareholder Meeting to Be Held on February 8, 2010. This proxy statement and our 2009 Annual Report to Shareholders are available on our website at www.prudentialsavingsbank.com under the "Investor Relations" tab.

What is the purpose of the annual meeting?

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

- elect two directors for a three-year term expiring in 2013;
- approve the Plan of Reorganization pursuant to which Prudential Bancorp will reorganize as a federally chartered mid-tier stock company and Prudential Mutual Holding Company will reorganize as a federally chartered mutual holding company; and
- ratify the appointment of S.R. Snodgrass, A.C. as our independent registered public accounting firm for the year ending September 30, 2010.

In addition, management may report on the performance of Prudential Bancorp and respond to questions from shareholders.

Who is entitled to vote?

Only our shareholders of record as of the close of business on the record date for the meeting, December 24, 2009, are entitled to vote at the meeting. On the record date, we had 10,331,866 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. 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 for me?

Your broker may not vote on the election of directors and the approval of Prudential Bancorp's reorganization if you do not furnish instructions for such proposals. You should use the voting instruction 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, the proposals to elect directors and approve Prudential Bancorp's reorganization as a federal corporation are not items on which brokerage firms may vote in their discretion on behalf of their clients if such clients have not furnished voting instructions within ten days of the annual meeting.

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 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 before the annual meeting. Any earlier proxies will be revoked automatically.

Second, you may send a written notice to our Corporate Secretary, Ms. Regina Wilson, Prudential Bancorp, Inc. of Pennsylvania, 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 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 nominees for director described herein, FOR the approval of the Plan of Reorganization of Prudential Bancorp and Prudential Mutual Holding Company as federal corporations and FOR ratification of the appointment of S.R. Snodgrass, A.C. as our independent registered public accounting firm for fiscal 2010.

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

What are the reasons for adopting the Plan of Reorganization?

The Board of Directors of Prudential Bancorp approved the reorganization after considering several factors including the ability of Prudential Mutual Holding Company to waive its receipt of cash dividends after it converts to a federal charter, thereby avoiding double taxation of the dividends, and the facilitation of a possible second-step conversion, which is an integral part of Prudential Bancorp's long-term strategic plan. As previously announced, the Board of Directors has determined, subject to the exercise of its fiduciary duties and the evaluation of market conditions, to undertake a second-step conversion no later than the annual meeting of shareholders in 2013. As a result of the reorganization, Prudential Mutual Holding Company would be a federally chartered mutual holding company and its second-step conversion application would be processed by the Office of Thrift Supervision which has greater expertise and experience in second-step conversion transactions than the Board of Governors of the Federal Reserve System. As such, we believe that a second-step conversion through the Office of Thrift Supervision can be effected more expeditiously and more cost-effectively than through the Federal Reserve Board and with less regulatory uncertainty.

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 nominees for director receiving the most "for" votes will be elected directors for a three-year term expiring in 2013, 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 Prudential Bancorp's reorganization as a federal corporation and approval of the proposal to ratify the appointment of S.R. Snodgrass, A.C. for fiscal 2010. Under the Pennsylvania Business Corporation Law, abstentions do not constitute votes cast and will not affect the vote required for the proposals to approve the reorganization and ratify the appointment of the independent registered public accounting firm.