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PROVIDENT FINANCIAL SERVICES INC
Form 8-K
February 03, 2009

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): January 28, 2009

PROVIDENT FINANCIAL SERVICES, INC.
(Exact Name of Registrant as Specified in its Charter)

Delaware	001-31566	42-1547151
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(State or Other Jurisdiction of Incorporation)	(Commission File No.)	(I.R.S. Employer Identification No.)

830 Bergen Avenue, Jersey City, New Jersey	07306-4599
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(Address of Principal Executive Offices)	(Zip Code)

Registrant's telephone number, including area code: (201) 333-1000

Not Applicable

(Former Name or Former Address, if Changed Since Last Report)

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 (see General Instruction A.2. below):

- 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))

Item 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

On January 28, 2009, the Board of Directors of Provident Financial Services, Inc. (the "Company"), on the recommendation of the Compensation Committee, approved an annual performance-based incentive plan for the payment

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of incentive compensation to certain officers and employees of The Provident Bank, the Company's wholly-owned savings bank subsidiary (the "Plan"), including senior executive officers. The Plan provides for cash incentive payments based primarily on the Company's financial performance in 2009 compared with targets relating to: (i) earnings per share (weighted 50%); (ii) efficiency ratio (weighted 25%); and (iii) total stockholder return relative to the performance of an identified peer group, currently comprised of 20 financial institutions (weighted 25%) (collectively, the "Corporate Targets"). Incentive Payments based on the Company's 2009 financial performance may be made if the Company meets or exceeds 95% of any of the Corporate Targets ("Threshold"). A portion of the incentive payment will be based on the employee's performance against personal goals and objectives, and may be made whether or not Corporate Targets have been met. For certain senior executive officers, 75% of the incentive payment that may be made under the Plan will be based on the Company's financial performance and 25% will be based on the individual's performance. For senior executives in the lending and retail banking disciplines, 50% of the incentive payment that may be made under the Plan will be based on the Company's financial performance and 50% will be based on the performance of their respective areas of responsibility against the 2009 business plan.

Incentive payments will be a percentage of the employee's base salary. Using estimated 2009 base salary levels and current number of employees that could participate in the Plan (325 persons), the cash incentive payments that may be made for 2009 would range from approximately \$1.6 million at the Threshold level up to \$6.5 million at the Maximum level.

Item 9.01. Financial Statements and Exhibits

- (a) Financial Statements of Businesses Acquired. Not applicable
- (b) Pro Forma Financial Information. Not applicable
- (c) Shell company transactions. Not applicable
- (d) Exhibits. Not applicable

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.

PROVIDENT FINANCIAL SERVICES, INC.

DATE: February 2, 2009

By: /s/ Paul M. Pantozzi

Paul M. Pantozzi
Chairman and
Chief Executive Officer