

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, DC 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): March 24, 2021

**BROADWAY FINANCIAL CORPORATION**

(Exact name of registrant as specified in its charter)

Delaware  
(State or other jurisdiction of incorporation or  
organization)

001-39043  
(Commission File No.)

95-4547287  
(IRS Employer Identification No.)

5055 Wilshire Boulevard Suite 500, Los Angeles, California 90036  
(Address of principal executive offices, including zip code)

(323) 634-1700  
(Registrant's telephone number, including area code)

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 140.13e-4(c))

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, par value \$0.01 per share (including attached preferred stock purchase rights)	BYFC	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 (17 CFR 230.405) or Rule 12b-2 of the Securities Exchange Act of 1934 (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 I 3(a) of the Exchange Act.

**Item 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangement of Certain Officers**

Broadway Financial Corporation (the “Broadway”) entered into a Settlement and Release Agreement as of March 24, 2021 with Robert C. Davidson, a director of the Broadway, in connection with the prospective termination of Broadway’s Director Emeritus Policy. Pursuant to the agreement, Broadway agreed to pay \$120,000 to Mr. Davidson and Mr. Davidson waived and released any claim he might have relating to or arising out of the Director Emeritus Policy.

**Item 9.01 Financial Statements and Exhibits**

(d) Exhibits. The following exhibits are filed with this report on Form 8-K:

Exhibit

<u>No.</u>	<u>Description</u>
<a href="#">10.1</a>	Settlement and Release Agreement, dated as of March 24, 2021

---

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.

**BROADWAY FINANCIAL CORPORATION**

/s/ Brenda J. Battey

\_\_\_\_\_  
Brenda J. Battey  
Chief Financial Officer

Date: March 29, 2021

---



SETTLEMENT AND RELEASE AGREEMENT

This Settlement and Release Agreement ("Agreement") is entered into as of March 24, 2021 by and between Robert C. Davidson ("Davidson"), on the one hand, and Broadway Financial Corporation, a Delaware corporation, and its wholly-owned subsidiary, Broadway Federal Bank, f.s.b. (Broadway Financial Corporation and Broadway Federal Bank, f.s.b., being collectively referred to herein as "Broadway"), on the other hand, on the basis of the following facts:

A. Broadway has maintained a director emeritus policy for many years, the most recent statement of the terms of which is set forth in the Director Emeritus Policy (the "Emeritus Policy") that was approved by the boards of directors of Broadway (collectively, the "Board") on April 29, 2020 and which is applicable only to those persons who were directors of Broadway of record as of or prior to January 1, 2019 and who are appointed as Directors Emeritus by the Board based on the length and quality of their service on the Board as provided in the Emeritus Policy.

B. Broadway Financial Corporation has entered into an Agreement and Plan of Merger with CFBanc Corporation ("CFBanc"), dated as of August 25, 2020, pursuant to which CFBanc will be merged with and into Broadway Financial Corporation (the "Merger"), with five directors from CFBanc and four directors from Broadway to serve on the board of directors of Broadway Financial Corporation in its capacity as the Surviving Entity in such merger with CFBanc. Capitalized terms defined in the Agreement and Plan of Merger are used in this Agreement as so defined.

C. CFBanc does not have a policy similar to the Emeritus Policy and has firmly indicated that it does not desire to establish such a policy, and has further indicated its strong desire that all directors of the Surviving Corporation have equal rights of compensation relating to their service as directors.

D. The Board has determined that it is in the best interests of Broadway and their stockholders that the Emeritus Policy be terminated in connection with the completion of the Merger so as to remove any potential division or disagreement that might arise among the directors of the Surviving Entity if the Emeritus Program were continued solely with respect to the pre-merger directors of the Corporation.

E. Davidson has been asked, and has agreed, to continue his service as a director of the Surviving Entity and its subsidiary bank following the completion of the Merger rather than retire from the Board at the Effective Time of the Merger and become eligible at that time to be for considered for appointment by the Board to the status of Director Emeritus pursuant to the Emeritus Policy. Having so agreed, Davidson acknowledges that he will not be eligible for designation as a Director Emeritus pursuant to the Emeritus Policy at any time hereafter, regardless of the length of his service as a director of the Surviving Entity and its subsidiary bank.

5055 WILSHIRE BOULEVARD, SUITE 500 • LOS ANGELES, CALIFORNIA 90036-6 103  
323.634.1700 • 323.634.1717 Fax • [www.broadwayfederalbank.com](http://www.broadwayfederalbank.com)

---

NOW, THEREFORE, the parties hereto, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound, agree as follows:

1. Broadway has agreed to pay the sum of \$120,000 to Davidson, receipt of which payment is hereby acknowledged and confirmed by Davidson, in consideration of the execution and delivery by Davidson of this Settlement and Release Agreement.

2. Davidson hereby waives, relinquishes and releases, and agrees not to maintain any legal or equitable action to obtain or otherwise pursue, any and all claims, whether now known to him or unknown, that he may have or may hereafter claim to have relating to or arising out of the Emeritus Policy, including, without limitation, any claim of entitlement to payments or other benefits arising out of or relating to the Emeritus Policy.

3. This Agreement sets forth the entire agreement and understanding of the parties hereto with respect to the termination of the Emeritus Plan and supersedes any prior or contemporaneous agreements or understandings relating to such subject matter.

4. This Agreement, and all claims or causes of action (whether in contract, in tort or pursuant to statute) that may be based upon, arise out of or relate to this Agreement, or the negotiation, execution or performance hereof shall be governed by and construed in accordance with the internal laws of the State of Delaware, without regard to the conflicts of laws principles thereof, except to the extent, if any, that such law is preempted by applicable federal laws of the United States.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first above written.

BROADWAY FINANCIAL CORPORATION

By: /s/ Wayne-Kent A. Bradshaw  
Name: Wayne-Kent A. Bradshaw  
Title: Chief Executive Officer

BROADWAY FEDERAL BANK, f.s.b.

By: /s/ Robert C. Davidson  
Name: Robert C. Davidson  
Title: Board Member