

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 27, 2017

BANKFINANCIAL CORPORATION

(Exact Name of Registrant as Specified in Charter)

Commission File Number 0-51331

Maryland 75-3199276
**(State or Other Jurisdiction (I.R.S. Employer
of Incorporation) Identification No.)**

15W060 North Frontage Road, Burr Ridge, Illinois 60527
(Address of Principal Executive Offices)

Registrant's telephone number, including area code: (800) 894-6900

Not Applicable

(Former name, former address and former fiscal year, 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))

Indicate by check mark whether the registrant is an emerging growth company as defined in 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 July 27, 2017, the Board of Directors of the BankFinancial Corporation (the "Company"), approved amendments to the Company's existing employment agreements with "Named Executive Officers" (as defined by Item 402(a)(3) of Securities and Exchange Commission Regulation S-K) F. Morgan Gasior, Paul A. Cloutier, and James J. Brennan. The amendments:

- extended the expiration date of the terms of the employment periods established in the employment agreements from March 31, 2019 to May 31, 2020;
- provided that the annual review process for the employment agreements will be completed by May 31st of each calendar year (or as soon as practicable thereafter), instead of within 45 days after March 31st of each calendar year;
- replaced all references in the employment agreements to "BankFinancial, F.S.B." with "BankFinancial, National Association," and updated all references to former regulations of the former Office of Thrift Supervision;
- removed disability and life insurance from the definition of "Core Plans," making them unavailable as post-termination benefits;
- placed a cap on the dues reimbursements provided for in the employment agreements for Messrs. Gasior, Cloutier and Brennan;
- clarified that the term "Average Annual Compensation" as used in the employment agreements for Messrs. Gasior, Cloutier, and Brennan does not include income recognized from the receipt or exercise of equity awards, including stock options;
- revised Mr. Gasior's employment agreement to provide that he will have access to health insurance until he qualifies for Medicare provided that he pays the annual premiums out of his own pocket at the COBRA rate;
- revised the employment agreement of Mr. Cloutier to provide for a cash insurance expense stipend if the insurer will not allow him to remain in the Bank's health insurance plan after his employment ends or until he becomes eligible for other group health insurance or Medicare;
- revised Mr. Brennan's employment agreement to remove the post-termination health insurance provision, permit reductions in Mr. Brennan's base salary with his prior written consent and define full-time employment to mean at least thirty (30) combined on-site and off-site hours per week, or at least one hundred and thirty (130) combined on-site and off-site hours in a calendar month.

The employment agreements between the Company and Messrs. Gasior, Brennan and Cloutier were filed as Exhibits 10.1 through 10.3 to the Report on Form 8-K of the Company filed with the Securities and Exchange Commission on October 20, 2008.

The forms of the amendments are attached as Exhibits 10.1 through 10.3.

Item 9.01 Financial Statements and Exhibits.

- (a) Not Applicable.
- (b) Not Applicable.
- (c) Not Applicable.
- (d) Exhibits.

<u>Exhibit No.</u>	<u>Description</u>
10.1	Amendment No. 2 to the Amended and Restated Employment Agreement Between BankFinancial Corporation with F. Morgan Gasior
10.2	Amendment No. 2 to the Amended and Restated Employment Agreement Between BankFinancial Corporation with Paul A. Cloutier
10.3	Amendment No. 2 to the Amended and Restated Employment Agreement Between BankFinancial Corporation with James J. Brennan

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.

Dated: August 1, 2017

BANKFINANCIAL CORPORATION

By: /s/ F. Morgan Gasior
F. Morgan Gasior

Chairman of the Board and Chief Executive Officer

EXHIBIT INDEX

Exhibit Number	Description
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**Amendment No. 2 of the
BankFinancial Corporation
Employment Agreement**

This “Amendment No. 2 of the BankFinancial Corporation Employment Agreement (the “Amendment”) is dated and made effective as of July __, 2017, and amends the Employment Agreement between BankFinancial Corporation (the “Company”) and F. Morgan Gasior (“Executive”) dated as of October 20, 2008, as amended by “Amendment No. 1 of the BankFinancial Corporation Employment Agreement” dated as of December 31, 2012, and as otherwise amended or extended from time to time.

1. All capitalized terms in this Amendment that are not separately defined in this Amendment shall have the meanings provided in the Employment Agreement.

2. All references in the Employment Agreement to “BankFinancial, F.S.B.” are hereby deleted and replaced with the name “BankFinancial, National Association.”

3. The Term of the Employment as set forth in Section 2(a) of the Employment Agreement is extended to May 31, 2020.

4. The phrase “On or before each anniversary of the Effective Date during the Employment Period (each an “Anniversary Date”),” appearing at the beginning of the second sentence of Section 2(a) of the Employment Agreement is hereby deleted in its entirety, and the lower case “t” in the word “the” that appears immediately after such phrase is replaced with an upper case “T.”

5. The first sentence of Section 2(b) of the Employment Agreement is hereby deleted in its entirety and replaced with the following new first sentence of Section 2(b):

“The Board or the Board’s Human Resources Committee (the “Human Resources Committee”) shall review this Agreement and the compensation arrangements provided for herein at least annually on or before May 31st of each year during the Employment Period, or as soon as reasonably practicable thereafter.”

6. The phrase “and not later than forty-five (45) days, after each applicable Anniversary Date,” appearing in the fourth sentence of Section 2(b) of the Employment Agreement is hereby deleted in its entirety.

7. Section 3(g) of the Employment Agreement is hereby deleted in its entirety and replaced with the following new Section 3(g):

“(g) **Other Benefits.** The Bank shall provide Executive with all other benefits that are now or hereafter provided uniformly to non-probationary full-time employees of the Bank during the Employment Period, including, without limitation, benefits under any health, dental and vision insurance plans (collectively, the “Core Plans”) that are now or hereafter maintained by the Bank, and under any Section 125 Cafeteria Plan, any disability and life insurance plan, and any 401(k) plan (the “401(k) Plan”) that is now or hereafter sponsored by the Bank, in each case subject to the Bank’s policies concerning employee payments and contributions under such plans. The Bank shall not make any changes to any Core Plan that would materially and adversely affect Executive’s rights or benefits under such plan unless such changes are made applicable to all non-probationary full-time employees of the Bank on a non-discriminatory basis. Nothing paid to Executive under any Core Plan or any 401(k) Plan shall be deemed to be in lieu of any other compensation that Executive is entitled to receive under this Agreement.”

8. Section 3(k) of the Employment Agreement is hereby deleted in its entirety and replaced with the following new Section 3(k):

“(k) **Limit on Perquisites.** Notwithstanding the foregoing or anything to the contrary in this Agreement, the amounts payable to Executive pursuant to Section 3(d) and 3(j) of this Agreement shall not in the aggregate exceed ten percent (10%) of the cash compensation (defined as payments under Sections 3(a), 3(b) and 3(c),

including the value of annual incentive compensation or bonuses to the extent paid in equity awards under the Company's 2006 Equity Incentive Plan, as amended from time to time (the "2006 EIP") paid to Executive during such year, and the amounts payable to Executive pursuant to Section 3(j) of this Agreement in a given year shall not exceed \$9,600."

9. The following language is added as a new last sentence to Section 6(c) of the Employment Agreement:

"Notwithstanding anything to the contrary in this Agreement, the term "Compensation" as used in the definition of "Average Annual Compensation" shall not include any income recognized by Executive based on Executive's receipt or exercise of any equity awards made to Executive under the 2006 EIP, including the "exchange" and "replacement" stock option awards made to Executive in 2015 under the 2006 EIP."

10. Section 6(g) of the Employment Agreement is hereby deleted and replaced in its entirety with the following new Section 6(g):

(g) Post-Employment Health Insurance. In the event of Executive's termination of employment pursuant to Sections 4(b), 4(c), 5(b) or 5(c), beginning on the expiration date of any health insurance coverage under the Core Plans provided pursuant to Section 6 hereof and continuing through the date on which Executive becomes eligible for benefits under Medicare (and through the date on which the Executive's spouse becomes entitled to benefits under Medicare with respect to the right to continued coverage for such spouse), Executive (and any qualified dependents, including Executive's spouse) shall be entitled to health insurance coverage. Such coverage shall be provided under the health insurance plan in which the "named executive officers" (as defined in 17 CFR 229.402(a) (3), as amended) of BFC and the Bank (including the named executive officers of any successor or successors of BFC and/or the Bank) participate (as such plan is then in effect and as it may be modified, replaced or substituted at any time and from time to time during the period of coverage contemplated in this Section 6(g)), to the same extent as Executive was participating in such health insurance plan immediately prior to termination, at the Executive's cost, which cost shall be an amount equal to the cost of such benefits as if such benefits were being provided pursuant to COBRA (the "COBRA Limit"). If such health insurance plan refuses to insure Executive or allow Executive to be a participant in the health insurance plan for any reason, the Bank and any successor of BFC and the Bank shall have the affirmative obligation to promptly arrange and provide (without any gap in coverage) equivalent replacement health insurance coverage for Executive and his dependents (including his spouse) through a different reputable and financially sound insurance company acceptable to Executive. In such event, Executive shall pay or contribute to the premiums for such replacement health insurance coverage in an amount not exceeding the COBRA Limit. Executive shall promptly notify the Bank when the Executive and/or Executive's spouse become entitled to full benefits under Medicare. Nothing contained in this section is intended to limit or otherwise modify benefits that the Executive may otherwise be entitled to under this Agreement with respect to the Core Plans."

11. The instructions for giving notices to the Company set forth in the fourth sentence of Section 7 of the Employment Agreement are hereby deleted and replaced in their entirety with the following:

"Notices to the Company shall be addressed and delivered to the Company's corporate offices in Burr Ridge, Illinois or any successor location, to the attention of the Chairman of the Human Resources Committee of the Board of Directors, with copies of the notice concurrently delivered to the Chief Executive Officer of the Company and the Executive Vice President of the Human Resources Division of the Company."

Except as stated above, Section 7 of the Employment Agreement is not changed and shall remain as currently written.

12. The words "12 C.F.R. §545.121 and any rules and regulations promulgated thereunder" appearing in Section 14(b) of the Employment Agreement are hereby deleted and replaced with the words "12 C.F.R. Part 359."

Except as stated above, Section 14 of the Employment Agreement is not changed and shall remain as currently written.

SIGNATURES APPEAR ON NEXT PAGE

BANKFINANCIAL CORPORATION

By: _____

EXECUTIVE

**Amendment No. 2 of the
BankFinancial Corporation**

Employment Agreement

This “Amendment No. 2 of the BankFinancial Corporation Employment Agreement (the “Amendment”) is dated and made effective as of July __, 2017, and amends the Employment Agreement between BankFinancial Corporation (the “Company”) and Paul A. Cloutier (“Executive”) dated as of October 20, 2008, as amended by “Amendment No. 1 of the BankFinancial Corporation Employment Agreement” dated as of December 31, 2012, and as otherwise amended or extended from time to time.

1. All capitalized terms in this Amendment that are not separately defined in this Amendment shall have the meanings provided in the Employment Agreement.

2. All references in the Employment Agreement to “BankFinancial, F.S.B.” are hereby deleted and replaced with the name “BankFinancial, National Association.”

3. The Term of the Employment as set forth in Section 2(a) of the Employment Agreement is extended to May 31, 2020.

4. The phrase “On or before each anniversary of the Effective Date during the Employment Period (each an “Anniversary Date”),” appearing at the beginning of the second sentence of Section 2(a) of the Employment Agreement is hereby deleted in its entirety, and the lower case “t” in the word “the” that appears immediately after such phrase is replaced with an upper case “T.”

5. The first sentence of Section 2(b) of the Employment Agreement is hereby deleted in its entirety and replaced with the following new first sentence of Section 2(b):

“The Board or the Board’s Human Resources Committee (the “Human Resources Committee”) shall review this Agreement and the compensation arrangements provided for herein at least annually on or before May 31st of each year during the Employment Period, or as soon as reasonably practicable thereafter.”

6. The phrase “and not later than forty-five (45) days, after each applicable Anniversary Date,” appearing in the fourth sentence of Section 2(b) of the Employment Agreement is hereby deleted in its entirety.

7. Section 3(g) of the Employment Agreement is hereby deleted in its entirety and replaced with the following new Section 3(g):

“(g) **Other Benefits.** The Bank shall provide Executive with all other benefits that are now or hereafter provided uniformly to non-probationary full-time employees of the Bank during the Employment Period, including, without limitation, benefits under any health, dental and vision insurance plans (collectively, the “Core Plans”) that are now or hereafter maintained by the Bank, and under any Section 125 Cafeteria Plan, any disability and life insurance plan, and any 401(k) plan (the “401(k) Plan”) that is now or hereafter sponsored by the Bank, in each case subject to the Bank’s policies concerning employee payments and contributions under such plans. The Bank shall not make any changes to any Core Plan that would materially and adversely affect Executive’s rights or benefits under such plan unless such changes are made applicable to all non-probationary full-time employees of the Bank on a non-discriminatory basis. Nothing paid to Executive under any Core Plan or any 401(k) Plan shall be deemed to be in lieu of any other compensation that Executive is entitled to receive under this Agreement.”

8. Section 3(k) of the Employment Agreement is hereby deleted in its entirety and replaced with the following new Section 3(k):

“(k) **Limit on Perquisites.** Notwithstanding the foregoing or anything to the contrary in this Agreement, the amounts payable to Executive pursuant to Section 3(d) and 3(j) of this Agreement shall not in the aggregate exceed ten percent (10%) of the cash compensation (defined as payments under Sections 3(a), 3(b) and 3(c), including the value of annual incentive compensation or bonuses to the extent paid in equity awards under the

Company's 2006 Equity Incentive Plan, as amended from time to time (the "2006 EIP")) paid to Executive during such year, and the amounts payable to Executive pursuant to Section 3(j) of this Agreement in a given year shall not exceed \$9,600."

9. The following language is added as a new last sentence to Section 6(c) of the Employment Agreement:

"Notwithstanding anything to the contrary in this Agreement, the term "Compensation" as used in the definition of "Average Annual Compensation" shall not include any income recognized by Executive based on Executive's receipt or exercise of any equity awards made to Executive under the 2006 EIP, including the "exchange" and "replacement" stock option awards made to Executive in 2015 under the 2006 EIP."

10. The following is added to the Employment Agreement as a new Section 6(i):

(i) Contingent Insurance Stipend. In the event that the continued group medical, dental and/or vision coverage provided for in Sections 6(b)(v) (and by operation of such provisions, pursuant to Sections 6(c), 6(e), 6(f)) and Section 6(i) of this Agreement is not then available for any reason, the Bank shall have no obligation to provide such coverage, but shall pay Executive a Contingent Insurance Stipend if Executive timely elects COBRA continuation coverage and pays for the elected COBRA continuation coverage at the rate applicable to any other similarly situated COBRA beneficiary. The amount of the Contingent COBRA Stipend shall be (i) the amount of the bi-weekly employer contribution (if any) that the Bank was making toward the premium for any group insurance coverage (if any) that was in effect for Executive and Executive's eligible family members under the Bank's group insurance plan on the last day of Executive's employment, multiplied by (ii) the number of bi-weekly periods that Executive would have been eligible for continued group insurance coverage pursuant to Section 6(b)(v) (and by operation of such provisions, pursuant to Sections 6(c), 6(e), 6(f) and Section 6(i) of this Agreement if continued group insurance coverage had been available. The Contingent COBRA Stipend shall be paid in a lump sum no later than the date on which the final payment of Executive's Earned Salary is required to be paid."

11. The instructions for giving notices to the Company set forth in the fourth sentence of Section 7 of the Employment Agreement are hereby deleted and replaced in their entirety with the following:

"Notices to the Company shall be addressed and delivered to the Company's corporate offices in Burr Ridge, Illinois or any successor location, to the attention of the Chairman of the Human Resources Committee of the Board of Directors, with copies of the notice concurrently delivered to the Chief Executive Officer of the Company and the Executive Vice President of the Human Resources Division of the Company."

Except as stated above, Section 7 of the Employment Agreement is not changed and shall remain as currently written.

12. The words "12 C.F.R. §545.121 and any rules and regulations promulgated thereunder" appearing in Section 14(b) of the Employment Agreement are hereby deleted and replaced with the words "12 C.F.R. Part 359."

Except as stated above, Section 14 of the Employment Agreement is not changed and shall remain as currently written.

SIGNATURES APPEAR ON NEXT PAGE

BANKFINANCIAL CORPORATION

By: _____

EXECUTIVE

**Amendment No. 2 of the
BankFinancial Corporation**

Employment Agreement

This “Amendment No. 2 of the BankFinancial Corporation Employment Agreement (the “Amendment”) is dated and made effective as of July __, 2017, and amends the Employment Agreement between BankFinancial Corporation (the “Company”) and James J. Brennan (“Executive”) dated as of October 20, 2008, as amended by “Amendment No. 1 of the BankFinancial Corporation Employment Agreement” dated as of December 31, 2012, and as otherwise amended or extended from time to time.

1. All capitalized terms in this Amendment that are not separately defined in this Amendment shall have the meanings provided in the Employment Agreement.

2. All references in the Employment Agreement to “BankFinancial, F.S.B.” are hereby deleted and replaced with the name “BankFinancial, National Association.”

3. Section 1(a) of the Employment Agreement is hereby deleted and replaced with the following new Section 1(a):

“(a) **Position.** During the period of employment established by Section 2(a) of this Agreement (the “Employment Period”), Executive agrees to serve, if appointed to serve, as the General Counsel, Secretary and the Executive Vice President of the Corporate Affairs Division of the Company and its subsidiaries on a Full-Time Basis. For the purposes of this Agreement, “Full-Time Basis” means on average, per month, at least thirty (30) combined on-site and off-site hours per week, or at least one hundred and thirty (130) combined on-site and off-site hours in a calendar month.” All references to in this Agreement to “full-time” shall mean on a Full-Time Basis.

4. The Term of the Employment as set forth in Section 2(a) of the Employment Agreement is extended to May 31, 2020.

5. The phrase “On or before each anniversary of the Effective Date during the Employment Period (each an “Anniversary Date”),” appearing at the beginning of the second sentence of Section 2(a) of the Employment Agreement is hereby deleted in its entirety, and the lower case “t” in the word “the” that appears immediately after such phrase is replaced with an upper case “T.”

6. The first sentence of Section 2(b) of the Employment Agreement is hereby deleted in its entirety and replaced with the following new first sentence of Section 2(b):

“The Board or the Board’s Human Resources Committee (the “Human Resources Committee”) shall review this Agreement and the compensation arrangements provided for herein at least annually on or before May 31st of each year during the Employment Period, or as soon as reasonably practicable thereafter.”

7. The phrase “and not later than forty-five (45) days, after each applicable Anniversary Date,” appearing in the fourth sentence of Section 2(b) of the Employment Agreement is hereby deleted in its entirety.

8. The first sentence of Section 3(f) of the Employment Agreement is hereby deleted and replaced with the following new first sentence of Section 3(f):

“Subject to any reductions consented to by Executive in writing, Executive shall be entitled to receive not less than 176 hours of paid time off (“PTO”) per calendar year during the Employment Period in accordance with the PTO policies of the Bank as then applicable to senior executive officers of the Bank.”

9. Section 3(g) of the Employment Agreement is hereby deleted in its entirety and replaced with the following new Section 3(g):

“(g) **Other Benefits.** The Bank shall provide Executive with all other benefits that are now or hereafter provided uniformly to non-probationary full-time employees of the Bank during the Employment Period,

including, without limitation, benefits under any health, dental and vision insurance plans (collectively, the “Core Plans”) that are now or hereafter maintained by the Bank, and under any Section 125 Cafeteria Plan, any disability and life insurance plan, and any 401(k) plan (the “401(k) Plan”) that is now or hereafter sponsored by the Bank, in each case subject to the Bank’s policies concerning employee payments and contributions under such plans. The Bank shall not make any changes to any Core Plan that would materially and adversely affect Executive’s rights or benefits under such plan unless such changes are made applicable to all non-probationary full-time employees of the Bank on a non-discriminatory basis. Nothing paid to Executive under any Core Plan or any 401(k) Plan shall be deemed to be in lieu of any other compensation that Executive is entitled to receive under this Agreement.”

10. Section 3(k) of the Employment Agreement is hereby deleted in its entirety and replaced with the following new Section 3(k):

“(k) **Limit on Perquisites.** Notwithstanding the foregoing or anything to the contrary in this Agreement, the amounts payable to Executive pursuant to Section 3(d) and 3(j) of this Agreement shall not in the aggregate exceed ten percent (10%) of the cash compensation (defined as payments under Sections 3(a), 3(b) and 3(c), including the value of annual incentive compensation or bonuses to the extent paid in equity awards under the Company’s 2006 Equity Incentive Plan, as amended from time to time (the “2006 EIP”)) paid to Executive during such year, and the amounts payable to Executive pursuant to Section 3(j) of this Agreement in a given year shall not exceed \$9,600.”

11. Subsection (v) of Section 5(b) of the Employment Agreement is hereby deleted and replaced with the following new Subsection (v) of Section 5(b):

“(v) except for reductions to which Executive has consented in writing, a reduction in Executive’s Base Salary or a material reduction in the benefits to which Executive is entitled to receive under Section 3(d) through Section 3(j) of this Agreement;”

12. The following language is added as a new last sentence to Section 6(c) of the Employment Agreement:

“Notwithstanding anything to the contrary in this Agreement, the term “Compensation” as used in the definition of “Average Annual Compensation” shall not include any income recognized by Executive based on Executive’s receipt or exercise of any equity awards made to Executive under the 2006 EIP, including the “exchange” and “replacement” stock option awards made to Executive in 2015 under the 2006 EIP.”

13. Section 6(g) of the Employment Agreement is hereby deleted in its entirety and replaced with the words “[Intentionally Omitted].”

14. The instructions for giving notices to the Company set forth in the fourth sentence of Section 7 of the Employment Agreement are hereby deleted and replaced in their entirety with the following:

“Notices to the Company shall be addressed and delivered to the Company’s corporate offices in Burr Ridge, Illinois or any successor location, to the attention of the Chairman of the Human Resources Committee of the Board of Directors, with copies of the notice concurrently delivered to the Chief Executive Officer of the Company and the Executive Vice President of the Human Resources Division of the Company.”

Except as stated above, Section 7 of the Employment Agreement is not changed and shall remain as currently written.

15. The words “12 C.F.R. §545.121 and any rules and regulations promulgated thereunder” appearing in Section 14(b) of the Employment Agreement are hereby deleted and replaced with the words “12 C.F.R. Part 359.”

Except as stated above, Section 14 of the Employment Agreement is not changed and shall remain as currently written.

SIGNATURES APPEAR ON NEXT PAGE

BANKFINANCIAL CORPORATION

By: _____

EXECUTIVE
