



FOR IMMEDIATE RELEASE

Federal Court Denies Motion to Dismiss Complaint by Spencer Savings
Out-of-State Depositors Must Now Respond to Allegations of Misconduct

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***Federal Court Denies Motion to Dismiss Complaint by Spencer Savings
Out-of-State Depositors Must Now Respond to Allegations of Misconduct***

October 11, 2022 (Elmwood Park, NJ) - Spencer Savings Bank - a full service, mutually owned and operated, community bank operating 26 Financial Centers across New Jersey - won a significant victory in its effort to ensure that its customers continue to have access to the local, personal banking services they depend on.

In an eleven-page opinion, Judge Kevin McNulty of the United States District Court for the District of New Jersey denied a motion to dismiss a complaint filed by Spencer Savings Bank, which alleged that nine former out-of-state depositors, Philip A. Vasta, Catherine A. Higgins, John H. Merey, Richard J. Lashley, Frederick Ozdoba, Francesca Ozdoba, Robert Mitchell, Andrew Fish, and Howard Kent, conspired with professional investor Lawrence Seidman to “wage a coordinated campaign to remain member-depositors and to deny Spencer its ability to establish the qualifications for its own membership.”

Specifically, Spencer alleges that the defendants “formed a sleeper cell of out-of-state, bad-faith—and in some cases, fraudulent—member-depositors” looking to assist Seidman’s efforts to “influence control of the Bank for their own financial gain.” Spencer uncovered the scheme only after the defendants could not provide documentation supporting their eligibility to be member-depositors.

The court’s rejection of various procedural defenses asserted by the former depositors ensures that Spencer’s lawsuit can move forward. Defendants will now be required to respond to Spencer’s allegations—which they did not deny in their motion to dismiss—on the merits.

Spencer remains committed to providing premier banking products and services to New Jerseyans, just as it has for over 100 years. To that end, it intends to vigorously prosecute the action, including going to trial if necessary.

About Spencer Savings Bank, SLA

Spencer Savings Bank, SLA, headquartered in Elmwood Park, New Jersey, is a full service, mutually organized and operated, community bank that has been serving its local communities with integrity and pride for over 100 years. Spencer, serving consumers and businesses, operates 26 branches across New Jersey. For additional information about Spencer Savings Bank, SLA, please visit <http://www.spencersavings.com>.



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