
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): **May 13, 2013**

MFA FINANCIAL, INC.

(Exact name of registrant as specified in its charter)

Maryland
(State or other jurisdiction
of incorporation
or organization)

1-13991
(Commission File Number)

13-3974868
(IRS Employer
Identification No.)

350 Park Avenue, 20th Floor
New York, New York
(Address of principal executive offices)

10022
(Zip Code)

Registrant's telephone number, including area code: **(212) 207-6400**

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

(e) *Amendment No. 2 to Second Amended and Restated Employment Agreement, as amended, between MFA Financial, Inc. and Stewart Zimmerman*

On May 13, 2013, MFA Financial, Inc. (the "Company") entered into Amendment No. 2 (the "Amendment") to Second Amended and Restated Employment Agreement, dated as of June 7, 2010, as amended by Amendment No. 1 thereto, entered into as October 19, 2012 (as amended, the "Employment Agreement"), between the Company and Stewart Zimmerman, the Company's Chairman and Chief Executive Officer.

The Amendment modifies certain provisions relating to the "triggers" for payments to be made to Mr. Zimmerman upon a change in control of the Company. Specifically, the Amendment amends Section 5.(d) of the Employment Agreement by eliminating the scenarios that would result in the payment to Mr. Zimmerman of various amounts in the event (i) his employment were to be terminated by the Company without cause in certain circumstances within the two-month period prior to a change in control or (ii) he were to resign for any reason (i.e., with or without good reason) within six (6) months following a change in control. As a result of the Amendment, the amounts to be paid pursuant to Section 5.(d) of the Employment Agreement will be paid only in the event that Mr. Zimmerman's employment is terminated by the Company other than for cause or he resigns for good reason, in either case, within twenty-four (24) months following a change in control.

A copy of the Amendment is attached hereto as Exhibit 10.1. The above description of the principal terms of the Amendment is a summary only and is qualified in its entirety by reference to Exhibit 10.1 hereto, which is incorporated by reference into this Item 5.02. Except as provided in the Amendment, all other terms and provisions of the Employment Agreement remain unchanged. A copy of the Employment Agreement may be found as Exhibit 10.3 to the Company's Current Report on Form 8-K filed with the Securities and Exchange Commission (the "Commission") on June 8, 2010, and a copy of Amendment No. 1 to the Employment Agreement may be found as Exhibit 10.1 to the Company's Current Report on Form 8-K filed with the Commission on October 22, 2012.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

- 10.1 Amendment No. 2, entered into as of May 13, 2013, to Second Amended and Restated Employment Agreement, dated as of June 7, 2010, as amended, between MFA Financial, Inc. and Stewart Zimmerman

SIGNATURE

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.

MFA FINANCIAL, INC.
(REGISTRANT)

By: /s/ Harold E. Schwartz
Name: Harold E. Schwartz
Title: Senior Vice President and
General Counsel

Date: May 13, 2013

EXHIBIT INDEX

<u>Exhibit No.</u>	<u>Description</u>
10.1	Amendment No. 2, entered into as of May 13, 2013, to Second Amended and Restated Employment Agreement, dated as of June 7, 2010, as amended, between MFA Financial, Inc. and Stewart Zimmerman

**AMENDMENT NO. 2
TO
SECOND AMENDED AND RESTATED EMPLOYMENT AGREEMENT**

This AMENDMENT NO. 2 TO SECOND AMENDED AND RESTATED EMPLOYMENT AGREEMENT (this "Amendment No. 2") is entered into as of the 13th day of May, 2013, by MFA FINANCIAL, INC., a Maryland corporation ("MFA"), and STEWART ZIMMERMAN (the "Executive").

WITNESSETH:

WHEREAS, the parties hereto entered into that certain Second Amended and Restated Employment Agreement, as of June 7, 2010, as amended by Amendment No. 1 thereto, entered into as October 19, 2012, (as amended, the "Agreement") (capitalized terms used herein and not otherwise defined herein shall have the meanings given to such terms in the Agreement); and

WHEREAS, the parties hereto desire to further amend the Agreement as set forth herein.

NOW, THEREFORE, in consideration of the mutual covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Section 5 (**Termination of Employment**) of the Agreement is hereby amended by deleting subsection (d) (**Termination Related to Change in Control**) thereof in its entirety and replacing it with the following:

"(d) Termination Related to Change in Control. In the event of the termination of the Executive's employment by MFA other than for Cause or the Executive's resignation of his employment for Good Reason, in either case, within twenty-four (24) months following a Change in Control,

- (i) MFA shall pay to Executive in a lump sum, within 30 days following the termination of employment, an amount equal to 300% of the sum of (a) the Executive's then current Base Compensation and (b) the Executive's bonus for the immediately preceding year;
- (ii) all of the Executive's outstanding restricted stock, phantom shares and stock options shall immediately vest in full and such options shall remain exercisable, and any dividend equivalents associated therewith shall continue to be payable, until the earlier of (a) 90 days following the date of such termination and (b) the date on which each such option would have expired had the Executive's employment not terminated; and

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- (iii) the Executive shall continue to participate in all health, life insurance, retirement and other benefit programs at MFA's expense for the balance of the Term of Employment, to the same extent as though the Executive's employment had not terminated.

To the extent necessary to avoid imposition of the excise tax under Section 4999 of the Internal Revenue Code of 1986, as amended (the "**Code**") in connection with a Change in Control, the amounts payable or benefits to be provided to the Executive shall be reduced such that the reduction of compensation to be provided to the Executive is minimized. In applying this principle, the reduction shall be made in a manner consistent with the requirements of Section 409A of the Code, and where two economically equivalent amounts are subject to reduction but payable at different times, such amounts shall be reduced on a pro rata basis (but not below zero)."

2. Section 6 (**Definitions**) of the Agreement is hereby amended by deleting subsection (f) (**Pre-Change-in-Control Event**) thereof in its entirety and replacing it with the following:

"(f) Intentionally omitted."

3. MFA shall pay directly all reasonable legal fees incurred by the Executive in connection with the negotiation, preparation and execution of this Amendment No. 2.

4. All references to "this Agreement" shall refer to the Agreement.

5. Except as specifically set forth herein and amended by this Amendment No. 2, the Agreement and all of its terms and conditions remain in full force and effect, and the Agreement is hereby ratified and confirmed in all respects, except that on or after the date of this Amendment No. 2 all references in the Agreement to "this Agreement," "hereto," "hereof," "hereunder," or words of like import shall mean the Agreement as amended by this Amendment No. 2.

6. This Amendment No. 2 may be executed in any number of counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same instrument.

7. This Amendment No. 2 and all rights hereunder, and any controversies or disputes arising with respect hereto, shall be governed by and interpreted in accordance with the laws of the State of New York, applicable to agreements made and to be performed entirely within such State, without regard to the conflicts of laws provisions thereof that would apply the law of any other jurisdiction.

8. This Amendment No. 2 shall be binding upon and inure to the benefit of MFA and the Executive and their respective successors, heirs (in the case of the Executive) and assigns. The Agreement, as amended by this Amendment No. 2, contains the entire agreement between MFA and the Executive concerning the subject matter of thereof, as amended by this

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

COMPANY:

MFA FINANCIAL, INC.

By: /s/ George H. Krauss

Name: George H. Krauss

Title: Lead Director

EXECUTIVE:

/s/ Stewart Zimmerman

Stewart Zimmerman