

GLEN BURNIE BANCORP  
Form DEF 14A  
April 10, 2018

**UNITED STATES**

**SECURITIES AND EXCHANGE COMMISSION**

**Washington, D.C. 20549**

**SCHEDULE 14A**

**Proxy Statement Pursuant to Section 14(a) of the Securities**

**Exchange Act of 1934**

Filed by the Registrant                       Filed by a Party other than the Registrant

Check the appropriate box:

Preliminary Proxy Statement                       Confidential, for Use of the Commission  
Only (as permitted by Rule 14a-6(e)(2))

Definitive Proxy Statement

Definitive Additional Materials

Soliciting Material Pursuant to Rule 14a-11(c) or Rule 14a-12

**Glen Burnie Bancorp**

(Name of Registrant as Specified in Its Charter)

N/A

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

No fee required.

Fee computed on table below per Exchange Act Rules 14a-6(i)(4) and 0-11.

(1) Title of each class of securities to which transaction applies:

(2) Aggregate number of securities to which transaction applies:

(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (Set forth the amount on which the filing fee is calculated and state how it was determined):

(4) Proposed maximum aggregate value of transaction:

(5) Total fee paid:

“ Fee paid previously with preliminary materials.

“ Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

(1) Amount  
Previously Paid:

(2) Form,  
Schedule or  
Registration  
Statement No.:

(3) Filing  
Party:

(4) Date Filed:

April 12, 2018

Dear Fellow Stockholder:

You are cordially invited to attend the 2018 Annual Meeting of Stockholders of Glen Burnie Bancorp (the “Company”) to be held at **The Bank of Glen Burnie, 101 Crain Highway, SE, Glen Burnie, Maryland** on Thursday, May 10, 2018 at 2:00 p.m.

The accompanying notice and proxy statement describe the formal business to be transacted at the meeting which includes the election of directors and authorization for the Board of Directors to accept the selection of the Audit Committee of an auditing firm for the 2018 fiscal year.

Enclosed with this proxy statement are a proxy card and an Annual Report to Stockholders for the 2017 fiscal year. During the meeting, we will report on the operations of the Company’s wholly-owned subsidiary, The Bank of Glen Burnie. Directors and officers of the Company as well as representatives of TGM Group LLC, our independent auditors, will be present to respond to any questions the stockholders may have.

ON BEHALF OF THE BOARD OF DIRECTORS, WE URGE YOU TO SIGN, DATE AND RETURN THE ACCOMPANYING PROXY CARD AS SOON AS POSSIBLE EVEN IF YOU CURRENTLY PLAN TO ATTEND THE ANNUAL MEETING. YOU CAN ALSO VOTE ONLINE AT [WWW.INVESTORVOTE.COM/GLBZ](http://WWW.INVESTORVOTE.COM/GLBZ). YOU WILL NEED YOUR CONTROL NUMBER TO VOTE ONLINE (ON PROXY CARD). This will not prevent you from voting in person but will assure that your vote is counted if you are unable to attend the meeting. Your vote is important, regardless of the number of shares you own. If you plan to attend the meeting, please check the box on the enclosed form of proxy.

Sincerely,

*John E. Demyan*      *John D. Long*  
Chairman              President and Chief  
                                 Executive Officer



GLEN BURNIE BANCORP

**101 Crain Highway, S.E.**

**Glen Burnie, Maryland 21061**

**(410) 766-3300**

**NOTICE OF ANNUAL MEETING OF STOCKHOLDERS**

To Be Held on May 10, 2018

NOTICE IS HEREBY GIVEN that the 2018 Annual Meeting of Stockholders (the “Annual Meeting”) of Glen Burnie Bancorp (the “Company”) will be held at The Bank of Glen Burnie, 101 Crain Highway, SE, Glen Burnie, Maryland on Thursday, May 10, 2018 at 2:00 p.m., Eastern Time.

A proxy statement and proxy card for the Annual Meeting accompany this notice.

The Annual Meeting has been called for the following purposes:

1. To elect three directors;

2. To authorize the Board of Directors to accept the selection of the Audit Committee of an outside auditing firm for the 2018 fiscal year; and

3. To transact such other business as may properly come before the Annual Meeting or any adjournments thereof.

Any action may be taken on any one of the foregoing proposals at the Annual Meeting on the date specified above or on any date or dates to which, by original or later adjournment, the Annual Meeting may be adjourned. Stockholders of record at the close of business on March 28, 2018 are the only stockholders entitled to notice of and to vote at the

Annual Meeting and any adjournments thereof.

You are requested to complete and sign the accompanying proxy card, which is solicited by the Board of Directors and to mail it promptly in the accompanying envelope. The proxy card will not be used if you attend and vote at the Annual Meeting in person.

BY ORDER OF THE BOARD OF DIRECTORS

*Michelle Stambaugh*  
secretary

Glen Burnie, Maryland

April 12, 2018

**IMPORTANT: THE PROMPT RETURN OF PROXIES WILL SAVE YOUR COMPANY THE EXPENSE OF FURTHER REQUESTS FOR PROXIES IN ORDER TO ENSURE A QUORUM. A SELF-ADDRESSED ENVELOPE IS ENCLOSED FOR YOUR CONVENIENCE. NO POSTAGE IS REQUIRED IF MAILED IN THE UNITED STATES. YOU CAN ALSO VOTE ONLINE AT [WWW.INVESTORVOTE.COM/GLBZ](http://WWW.INVESTORVOTE.COM/GLBZ). YOU WILL NEED YOUR CONTROL NUMBER TO VOTE ONLINE (ON PROXY CARD).**

**Important Notice Regarding the Availability of Proxy Materials**

**for the Shareholder Meeting to Be Held on May 10, 2018**

**The Notice of Annual Meeting of Stockholders, Proxy Statement, Form of Proxy, and 2017 Annual Report are available at [www.edocumentview.com/GLBZ](http://www.edocumentview.com/GLBZ).**

**PROXY STATEMENT**

**OF**

**GLEN BURNIE BANCORP**

**101 Crain Highway, S.E.**

**Glen Burnie, Maryland 21061**

**ANNUAL MEETING OF STOCKHOLDERS**

**May 10, 2018**

**GENERAL**

This proxy statement is furnished in connection with the solicitation of proxies by the Board of Directors (the “Board of Directors” or “Board”) of Glen Burnie Bancorp (the “Company”) to be used at the 2018 Annual Meeting of Stockholders of the Company and any adjournments or postponements thereof (hereinafter called the “Annual Meeting”) which will be held at The Bank of Glen Burnie, 101 Crain Highway, SE, Glen Burnie, Maryland on Thursday, May 10, 2018 at 2:00 p.m., Eastern Time. The accompanying Notice of Annual Meeting and form of proxy and this Proxy Statement are being first mailed to stockholders on or about April 12, 2018.

**VOTING AND REVOCABILITY OF PROXIES**

Proxies solicited by the Board of Directors of the Company will be voted in accordance with the directions given therein. **Where no instructions are given, signed proxies will be voted for the nominees named below and for the proposal to authorize the Board of Directors to accept the selection of the Audit Committee of an outside auditing firm for the 2018 fiscal year.** The proxy confers discretionary authority on the persons named therein to vote with respect to the election of any person as a director where the nominee is unable to serve or for good cause will not serve, and with respect to matters incident to the conduct of the Annual Meeting. If any other business is presented at the Annual Meeting, proxies will be voted by those named therein in accordance with the determination of a majority of the Board of Directors. Proxies marked as abstentions will not be counted as votes cast. In addition, shares held in street name which have been designated by brokers on proxy cards as not voted will not be counted as votes cast. Proxies marked as abstentions or as broker no votes, however, will be treated as shares present for purposes of determining whether a quorum is present.



Stockholders who execute proxies retain the right to revoke them at any time prior to being voted. Unless so revoked, the shares represented by properly executed proxies will be voted at the Annual Meeting and all adjournments thereof. Proxies may be revoked by written notice to Michelle Stambaugh, the Secretary of the Company, at the address above or by the filing of a later dated proxy prior to a vote being taken on a particular proposal at the Annual Meeting. A proxy will not be voted if a stockholder attends the Annual Meeting and votes in person. The presence of a stockholder at the Annual Meeting will not revoke such stockholder's proxy.

## **VOTING SECURITIES AND PRINCIPAL HOLDERS THEREOF**

The securities entitled to vote at the Annual Meeting consist of the Company's common stock, par value \$1.00 per share (the "Common Stock"). Stockholders of record as of the close of business on March 28, 2018 (the "Record Date") are entitled to one vote for each share then held. At the Record Date, the Company had 2,804,456 shares of Common Stock issued and outstanding. The presence, in person or by proxy, of at least a majority of the total number of shares of Common Stock outstanding and entitled to vote will be necessary to constitute a quorum at the Annual Meeting. Persons and groups beneficially owning in excess of 5% of the Common Stock are required to file certain reports with respect to such ownership pursuant to the Securities Exchange Act of 1934 (the "Exchange Act"). The following table sets forth, as of the Record Date, certain information as to the Common Stock beneficially owned by all persons who were known to the Company to beneficially own more than 5% of the Common Stock outstanding at the Record Date.

<b>Name and Address of Beneficial Owner</b>	<b>Amount and Nature</b>	<b>Percent of Shares</b>		
	<b>of Beneficial</b>	<b>of Common Stock</b>		
	<b><u>Ownership</u><sup>1</sup></b>	<b><u>Outstanding</u></b>		
John E. Demyan 101 Crain Highway, S.E. Glen Burnie, Maryland 21061	284,749	2	10.15	%
Frederick W. Kuethe, III 377 Swinton Way Severna Park, Maryland 21146	144,019	3	5.14	%
Marrian K. McCormick 8 Oak Lane Glen Burnie, Maryland 21061	154,361	4	5.50	%
Edward M. Kuethe P.O. Box 218 Glen Burnie, Maryland 21060	140,100	5	5.00	%
Wellington Management Company, LLP 280 Congress Street Boston, Massachusetts 02210	166,224	6	5.93	%

<sup>1</sup>Rounded to nearest whole share. For purposes of this table, a person is deemed to be the beneficial owner of any shares of Common Stock if he or she has or shares voting or investment power with respect to such Common Stock or has a right to acquire beneficial ownership at any time within 60 days from the Record Date. As used herein, “voting power” is the power to vote or direct the voting of shares and “investment power” is the power to dispose or direct the disposition of shares. Except as otherwise noted, ownership is direct, and the named individuals or group exercise sole voting and investment power over the shares of the Common Stock.

<sup>2</sup>Includes 283,749 shares held by Mr. Demyan individually and 1,000 shares held by Mrs. Demyan.

<sup>3</sup>Includes 21,004 shares held jointly, 1,414 shares held by Mr. Kuethe individually, and 641 shares held by Mrs. Kuethe individually. Each disclaims beneficial ownership to the shares owned individually by the other. Also includes 120,960 shares held by Mr. Kuethe as one of the trustees for The Kuethe Family Educational Trust.

<sup>4</sup>Includes 1,461 shares held by Mrs. McCormick individually, 11,698 shares held by Mrs. McCormick for the benefit of minor children, 20,242 shares held by Mrs. McCormick as trustee of the McCormick Family Trust, and 120,960 shares held by Mrs. McCormick as one of the trustees for The Kuethe Family Educational Trust.

<sup>5</sup>Includes 1 share held by Mr. Kuethe individually, 19,139 shares held by Mr. Kuethe for the benefit of minor children and 120,960 shares held by Mr. Kuethe as one of the trustees for The Kuethe Family Educational Trust.

<sup>6</sup>Includes 166,224 shares held by Wellington Management with shared power to vote or to direct the vote.

## **PROPOSAL I — ELECTION OF DIRECTORS**

The Board of Directors currently consists of 9 directors. Under the Company's Articles of Incorporation, directors are divided into three classes and elected for terms of three years each and until their successors are elected and qualified. The Board has nominated Andrew Cooch, Norman E. Harrison, and John D. Long for election as directors to serve for terms of three years each and until their successors are elected and qualified. Under Maryland law, directors are elected by a plurality of all votes cast at a meeting at which a quorum is present.

Unless contrary instruction is given, the persons named in the proxies solicited by the Board of Directors will vote each such proxy for the election of the named nominees. If any of the nominees is unable to serve, the shares represented by all properly executed proxies which have not been revoked will be voted for the election of such substitute as the Board may recommend or the Board may reduce the size of the Board to eliminate the vacancy. At this time, the Board does not anticipate that any nominee will be unable to serve.

The following table sets forth, for each nominee and each continuing director, his or her name, age as of the Record Date, the year he or she first became a director of the Company, the expiration of his or her current term, and whether such individual has been determined by the Board to be “independent” as defined in Rule 5605(a)(2) of the NASDAQ Stock Market Rules. Each nominee and continuing director is also a member of the Board of Directors of The Bank of Glen Burnie (the “Bank”) and GBB Properties, Inc. (“GBB Properties”). There are no known arrangements or understandings between any director or nominee for director of the Company and any other person pursuant to which such director or nominee has been selected as a director or nominee.

Name	Age	Director Current Term		Independent
		Since	to Expire	
Board Nominees for Term to Expire in 2021				
Andrew Cooch	63	2014	2021	Yes
Norman E. Harrison	72	2005	2021	Yes
John D. Long	62	2016	2021	No
Directors Continuing in Office				
Thomas Clocker	83	1995	2019	Yes
Karen B. Thorwarth	61	1995	2019	Yes
John E. Demyan	70	1990	2020	No
Charles Lynch, Jr.	64	2003	2020	Yes
Frederick W. Kuethe, III	58	1988	2020	Yes
Mary Louise Wilcox	70	1997	2020	Yes

*Presented below is certain information concerning the nominees and directors continuing in office. Unless otherwise stated, all directors and nominees have held the positions indicated for at least the past five years.*

**Andrew Cooch** is a partner in the Law Office of Cooch & Bowers, P.A. and Owner/Director of Progressive Title Corporation. He also serves on the Board of Richcroft, Inc. and is the immediate past chair of the Board of Directors of Bello Machre, Inc. (both of which are Maryland-based non-profit providers of residential services to the developmentally disabled). Mr. Cooch was previously Vice President of Maryland Land Title Association and was previously on the Board of Maryland Affordable Housing Trust. Mr. Cooch received a Juris Doctorate in 1981 from the University of Baltimore, School of Law. Mr. Cooch is well qualified to serve as a member of the Company’s Board due to his business experience, knowledge of the Bank’s market and involvement in the communities served by the Bank.

**Norman E. Harrison, Jr.**, has 48 years of experience as a Certified Public Accountant. Mr. Harrison is presently an Accounting Consultant. He was a founding partner of Harrison & Company, LLC a public accounting firm specializing in auditing, accounting, taxes and consulting. Prior to opening his company, Mr. Harrison was a senior partner responsible for managing the Baltimore office of Stegman & Company, P.A., a large regional public accounting firm. Mr. Harrison is a life member of the American Institute of Certified Public Accountants and the Maryland Association of Certified Public Accountants. He currently serves and has served as an advisory board or board member of several non-profit organizations and a privately held corporation. Mr. Harrison received a Bachelor of Science degree in Accounting in 1970 from the University of Baltimore. Presently, Mr. Harrison is chairman of the Audit Committee. Mr. Harrison is well qualified to serve as a member of the Company's Board due to his extensive finance and accounting experience.

**John D. Long** became President and Chief Executive Officer of the Company and the Bank on April 1, 2016, when he also became a director. Prior to that date, he was Executive Vice President of the Company and the Bank since February 8, 2016. From October 2014 until February 2016, Mr. Long was an independent consultant advising commercial banks. Mr. Long served as Senior Group Manager at PNC Bank, N.A. from 2009 through 2014 and from 2000 until 2009 he served as Senior Vice President at Mercantile Mortgage Corporation. Mr. Long received a Bachelor of Science degree in Accounting and Business Administration from Washington and Lee University in 1978 and became a Maryland Certified Public Accountant in 1983. Mr. Long is well qualified to serve as a member of the Company's Board due to his more than 40 years of experience in the banking industry.

**Thomas Clocker** is a retired businessman and the former owner/operator of Angel's Food Market in Pasadena, Maryland. He served on the Mid-Atlantic Food Association's board of directors for nine years and is a founding member of the Pasadena Business Association. Mr. Clocker is actively involved in the community as a supporter of local schools, athletic associations and scouting groups. Mr. Clocker is well qualified to serve as a member of the Company's Board due to his business experience, knowledge of the Bank's market and involvement in the communities served by the Bank.

**Karen B. Thorwarth** is a Certified Insurance Counselor and a licensed insurance agent. She has over 30 years of experience including commercial property and casualty insurance, marketing, and underwriting of commercial boat and pleasure yacht insurance. Mrs. Thorwarth is a tenured member of the Society of Certified Insurance Counselors. Mrs. Thorwarth is well qualified to serve as a member of the Company's Board due to her business experience, knowledge of the Company's market and involvement in the communities served by the Bank.

**John E. Demyan** has been Chairman of the Board of the Company, the Bank and GBB Properties since 1995. He previously served as a director of the Company and the Bank from 1990 through 1994. He completed the Maryland Banking School in 1994. He is the owner and manager of commercial and residential properties in northern Anne Arundel County, Maryland. Mr. Demyan holds certificates as an airline transport pilot and flight instructor. He is an active volunteer with Angel Flight Mid-Atlantic, an organization that provides free air transportation for medical treatments to individuals who have exhausted their resources as a result of their medical condition. Mr. Demyan is a lifetime member of the 100 Club. Mr. Demyan is well qualified to serve as a member of the Company's Board due to his familiarity with the Bank's business and industry, knowledge of the Bank's market and involvement in the communities served by the Bank.

**Charles Lynch, Jr.** is President of The General Ship Repair Corporation in Baltimore, Maryland and has over 40 years of experience in marine engineering and ship repair. He holds a Bachelor of Science degree in Industrial Engineering, with a minor in Ocean Engineering, from the University of Miami and serves on the Baltimore Maritime Museum's Board of Directors. Mr. Lynch is well qualified to serve as a member of the Company's Board due to his extensive business experience and knowledge of the Company's market and involvement in the communities served by the Bank.

**Frederick W. Kuethe, III** has been a Vice President of the Company since 1995 and a director of the Bank since 1988. Mr. Kuethe has worked in software design and systems integration at Northrop Grumman Corp. since 1981. He is a graduate of the Maryland Banking School. Mr. Kuethe is well qualified to serve as a member of the Company's Board due to his familiarity with the Bank's business and industry and knowledge of the Bank's market.

**Mary Louise Wilcox** is a retired teacher from the Anne Arundel County Public School system where she had last been teaching at Belle Grove Elementary School in Brooklyn Park, Maryland. Currently, Mrs. Wilcox is a member of

a family owned LLC which manages commercial property in northern Anne Arundel County. She is actively involved in her church where she has served on multiple committees, including the Vestry, the Finance, and the Endowment committees. Also active in her community, Mrs. Wilcox served on the Glen Burnie Improvement Association's Carnival Banking Committee for over 50 years, as well as participating in other Carnival committees in the past, and most recently, assisting in the carnival treasury office during carnival week. Ms. Wilcox is well qualified to serve as a member of the Company's Board due to her knowledge of the Company's market and involvement in the communities served by the Bank.

## **CORPORATE GOVERNANCE**

The Board of Directors periodically reviews its corporate governance policies and procedures to ensure that the Company meets the highest standards of ethical conduct, reports results with accuracy and transparency, and maintains full compliance with the laws, rules and regulations which govern the Company's operations.

### **Meetings and Committees of the Board of Directors**

*Board of Directors.* The Board of Directors holds regular monthly meetings and special meetings as needed. During the year ended December 31, 2017, the Board met 14 times. No incumbent director attended fewer than 75% of the total number of meetings of the Board of Directors held during 2017 and the total number of meetings held by all committees on which the director served during such year. Board members are expected to attend the Annual Meeting of Stockholders, and all incumbent directors serving at that time attended the 2017 Annual Meeting of Stockholders.

The Board has numerous committees, each of which meets at scheduled times, including the following committees:

*Audit Committee.* The Bank's Audit Committee acts as the audit committee for the Company and currently consists of Directors Norman E. Harrison, Jr., Karen B. Thorwarth, Thomas Clocker and Andrew Cooch. During the year ended December 31, 2017, the Audit Committee met 15 times.

The Audit Committee monitors internal accounting controls, meets with the Bank's Internal Auditor to review internal audit findings, recommends independent auditors for appointment by the Board, and meets with the Company's independent auditors regarding these internal controls to assure full disclosure of the Company's financial condition. Each member of the Audit Committee is independent, as defined in Rule 5605(a)(2) of the NASDAQ Stock Market Rules and under the criteria for independence set forth in Rule 10A-3(b)(1) promulgated by the Securities and Exchange Commission (SEC) under the Exchange Act, and otherwise meets the criteria for Audit Committee membership set forth in applicable NASDAQ rules. In addition, each member of the Audit Committee is able to read and understand fundamental financial statements, including a company's balance sheet, income statement, and cash flow statement. The Board of Directors has examined the SEC's definition of "audit committee financial expert" and determined that Norman E. Harrison satisfies this definition. Accordingly, Mr. Harrison has been designated by the Board of Directors as the Company's audit committee financial expert.

The Board of Directors of the Company has adopted a written charter for the Audit Committee, which is available on the Bank's website, [www.thebankofglenburnie.com](http://www.thebankofglenburnie.com).

*Employee Compensation and Benefits Committee.* The Bank's Employee Compensation and Benefits Committee acts as the compensation committee for the Company and is composed of Directors Thomas Clocker, Norman E. Harrison, Jr., Charles F. Lynch, Jr., and Karen Thorwarth. This Committee met nine times during 2017. The purpose of the Compensation Committee is to evaluate and ascertain the appropriateness of compensation levels pertaining to the officers of the Bank other than the Chief Executive Officer and the other executive officers of the Bank. The compensation levels of all executive officers, other than the Chief Executive Officer, are recommended by the Chief Executive Officer for deliberation and approval of the Committee prior to submission to the full Board. The compensation levels of the Chief Executive Officer and the other executive officers of the Bank are reviewed by the full Board of Directors and must be approved by a majority of the independent directors. No executive officer is present during deliberations or voting on his/her compensation. The Board has adopted a written charter for the Employee Compensation and Benefits Committee, which is available on the Bank's website, [www.thebankofglenburnie.com](http://www.thebankofglenburnie.com).

During 2017, the Employee Compensation and Benefits Committee engaged the services of Compensation Advisors as its independent advisor on matters of executive and board compensation, reporting directly to the Committee. Compensation Advisors provides no other remunerated services to the Company or any of its affiliates.



*Nominations.* The independent members of the Company's Board of Directors acts as a nominating committee for the annual selection of its nominees for election as directors, and the Board held no meetings during 2017. The Board has not adopted a charter with respect to the nominating committee function. The Board of Directors believes that the interests of the Company's shareholders are served by relegating the nominations process to the Board members who are independent from management. While the Board of Directors will consider nominees recommended by stockholders, it has not actively solicited recommendations from the Company's stockholders for nominees, nor established any procedures for this purpose. In considering prospective nominees, the Board of Directors will consider the prospect's relevant financial and business experience, familiarity with and participation in the Bank's market area, the integrity and dedication of the prospect, prospective nominee's independence and other factors the Board deems relevant. The Board of Directors will apply the same criteria to nominees recommended by stockholders as those recommended by the Board. Nominations by stockholders must comply with certain informational requirements set forth in Article III, Section 1 of the Company's Bylaws. See "Stockholder Proposals" elsewhere in this Proxy Statement.

### **Director Compensation**

*Director's Fees.* Currently, directors are paid a fee of \$1,250 for each combined regular or special meeting of the Company and the Bank attended, with fees paid for one excused absence. Mr. Demyan was compensated at the rate of \$53,075 per annum for the additional responsibilities of serving as the Chairman of the Board. Directors (other than Mr. Demyan and Mr. Long who receive no fees for board or committee meetings) are paid an additional \$300 chairman fee, an additional \$350 for the Audit chairman and \$250 for audit committee members, or \$200 member fee, as applicable, for each committee meeting.

The following table summarizes the compensation paid to directors other than those included in the Summary Compensation Table below, for the fiscal year ended December 31, 2017:

Name (a)	Fees Earned or Paid in Cash (b)	All Other Compensation (g)	Total (h)
Thomas Clocker	\$ 23,400	—	\$ 23,400
Andrew Cooch	\$ 18,400	—	\$18,400
Karen B. Thorwarth	\$ 24,300	—	\$24,300
John E. Demyan <sup>(1)</sup>	\$ 53,075	\$ 11,019	\$64,094
F. William Kuethe, Jr	\$ 20,050	—	\$20,050
Charles Lynch, Jr.	\$ 17,350	—	\$17,350
F. W. Kuethe, III	\$ 26,000	—	\$26,000
Mary Louise Wilcox	\$ 18,400	—	\$18,400
Norman E. Harrison, Jr.	\$ 25,400	—	\$25,400
Edward L. Maddox	\$ 24,200	—	\$24,200

<sup>1</sup>Mr. Demyan's other compensation consists of: \$6,565 employee health plan benefits (including health and dental); \$2,789 as a 5% employer contribution and \$836 as an employer matching contribution to The Bank of Glen Burnie 401(K) Profit Sharing Plan; \$360 representing the dollar value to Mr. Demyan of premiums on a term life insurance policy for his benefit; \$89 for term life insurance benefits, and \$380 for disability insurance benefits.

### Transactions with Management

Certain directors, executive officers and significant stockholders of the Company, and members of their immediate families, were depositors, borrowers or customers of the Bank in the ordinary course of business during 2017. Similar transactions are expected to occur in the future. All such transactions were made in the ordinary course of business of the Bank and on substantially the same terms, including interest rates and collateral, as those prevailing at the time for comparable transactions with other persons and did not involve more than the normal risk of collection or present other unfavorable features.

The Bank's Internal Audit Department reviews all loan transactions with directors, officers and employees of the Bank and members of their immediate families to verify that they are fair and reasonable, on market terms, on an arms-length basis and comply with all applicable regulations including Federal Reserve Board Regulation O which governs such loans. The Internal Audit Department also provides the Board of Directors with semi-annual reports of all loans outstanding to employees, officers, and directors which reports are reviewed by the entire Board at a regularly scheduled meeting.

### **Code of Ethics**

The Company has adopted a Code of Business Conduct and Ethics that is designed to promote the highest standards of ethical conduct by the Company's and the Bank's directors, executive officers and employees. The Code of Business Conduct and Ethics has been posted on the Bank's website, [www.thebankofglenburnie.com](http://www.thebankofglenburnie.com).

### **Communications with the Board**

The Board of Directors has not established a formal process for stockholders to send communications to the Board. Due to the infrequency of stockholder communications to the Board, the Board does not believe that a formal process is necessary. Furthermore, almost all of the Company's Board members are residents of or work in the communities served by the Bank and where most of the Company's stockholders reside, and therefore are accessible to the great majority of the Company's stockholders.

### **Leadership Structure and Risk Oversight**

While the Board believes that there are various structures which can provide successful leadership to the Company, we currently have separate individuals serving in the roles of Chairman of the Board and Chief Executive Officer in recognition of the differences between the two roles.

The CEO is responsible for setting the strategic direction for the Company and the day-to-day leadership of the Company, while the Chairman of the Board provides guidance to the CEO and presides over meetings of the full Board. This structure is appropriate at this time to the Company's business because it reflects the Company and industry experience and vision brought to the Board of Directors by the Chairman, and the day-to-day management direction of the Company under our CEO.

Management is responsible for the day-to-day management of risks the Company faces, while the Board, as a whole and through its committees, has responsibility for the oversight of risk management. In its risk oversight role, the Board of Directors has the responsibility to satisfy itself that the risk management processes designed and implemented by management are adequate and functioning as designed. To do this, the Chairman of the Board meets regularly with management to discuss strategy and the risks facing the Company. Senior management attends the Board meetings and is available to address any questions or concerns raised by the Board on risk management and any other matters. The Chairman of the Board and independent members of the Board work together to provide strong, independent oversight of the Company's management and affairs through its standing committees and, when necessary, special meetings of independent directors.

## SECURITIES OWNERSHIP OF MANAGEMENT

The following table sets forth information with respect to the beneficial ownership of the shares of Common Stock as of the Record Date by (i) each executive officer of the Company named in the Summary Compensation Table included elsewhere in this Proxy Statement, (ii) each current director and each nominee for election as a director and (iii) all directors and executive officers of the Company as a group.

Name	Amount And Nature of Beneficial Ownership <sup>1</sup>	Percent of Class
Thomas Clocker	13,316	2 0.48 %
Andrew Cooch	1,050	0.04 %
Karen B. Thorwarth	2,881	3 0.10 %
John E. Demyan	284,749	4 10.15 %
Frederick W. Kuethe, III	144,019	5 5.14 %
Mary Louise Wilcox	18,371	0.66 %
Norman E. Harrison, Jr.	3,825	6 0.14 %
Charles Lynch, Jr.	37,542	7 1.34 %
John D. Long	5,839	0.21 %
Michelle Stambaugh	2,744	8 0.10 %
Jeffrey D. Harris	-	-
Andrew Hines	-	-
Donna Smith	-	-
All directors, nominees and executive officers as a group (13 persons)	514,370	18.34 %

<sup>1</sup>Rounded to nearest whole share. For the definition of “beneficial ownership,” see footnote (1) to the table in the section entitled “Voting Securities and Principal Holders Thereof.” Unless otherwise noted, ownership is direct and the named individual has sole voting and investment power.

<sup>2</sup>Includes 9,300 shares as to which Mr. Clocker shares voting and investment power.

<sup>3</sup>Includes 2,067 shares as to which Mrs. Thorwarth shares voting and investment power.

<sup>4</sup>See footnote (2) to the table in the section entitled “Voting Securities and Principal Holders Thereof”.

<sup>5</sup>See footnote (3) to the table in the section entitled “Voting Securities and Principal Holders Thereof”.

<sup>6</sup>Includes 2,961 shares as to which Mr. Harrison shares voting and investment power.

<sup>7</sup>Includes 12,668 shares held for the benefit of two minor children and 2,236 shares held by Mrs. Lynch. Each disclaims beneficial ownership to the shares owned individually by the other.

<sup>8</sup>Includes 2,020 shares as to which she shares voting and investment power. 724 shares held by Mr. Stambaugh individually.

**Section 16(a) Beneficial Ownership Reporting Compliance**

Pursuant to regulations promulgated under the Exchange Act, the Company's officers, directors and persons who own more than ten percent of the outstanding Common Stock ("Reporting Person") are required to file reports detailing their ownership and changes of ownership in such Common Stock, and to furnish the Company with copies of all such reports. Based on the Company's review of such reports which the Company received during the last fiscal year, or written representations from Reporting Persons that no annual report of change in beneficial ownership was required, the Company believes that, with respect to the last fiscal year, all persons subject to such reporting requirements have complied with the reporting requirements with the exception of Mr. Cooch, who was three days late in filing a Form 4 to report one transaction.

**EXECUTIVE COMPENSATION****Summary Compensation Table**

In this Proxy Statement, the "named executive officers" means the following individuals: (i) each individual who served as the Company's Chief Executive Officer during 2017; (ii) the Company's two most highly compensated executive officers in 2017, other than the Chief Executive Officer, who were serving as executive officers as of December 31, 2017 whose total compensation during 2017 exceeded \$100,000; and (iii) up to two additional individuals whose total compensation during 2017 exceeded \$100,000, who would have been included in the table as the highest compensated executive officers but were not serving as executive officers as of December 31, 2017. The following table sets forth information regarding the total compensation paid or earned by the named executive officers for the fiscal years ended December 31, 2017 and 2016:

<b>Name and Principal Position (a)</b>	<b>Year (b)</b>	<b>Salary (c)</b>	<b>All Other Compensation (i)</b>	<b>Total (j)</b>
John D. Long President and Chief Executive Officer	2017	\$242,026	\$ 34,569	(1) \$276,595
	2016	\$212,337	\$ 4,898	(1) \$217,235
Andrew Hines Executive Vice President and Chief Lending Officer	2017	\$154,916	\$ 24,325	(2) \$179,241
	2016	\$144,233	\$ 25,067	(2) \$169,300
Jeffrey D. Harris Senior Vice President and Chief Financial Officer	2017	\$112,196	\$ 2,523	(3) \$114,719
Donna Smith	2017	\$126,335	\$ 9,397	(4) \$135,732

Edgar Filing: GLEN BURNIE BANCORP - Form DEF 14A

Senior Vice President and Director of Branch and Deposit Operations	2016	\$ 117,231	\$ 5,093	(4) \$ 122,324
Michelle Stambaugh	2017	\$ 123,774	\$ 9,619	(5) \$ 133,393
Senior Vice President and Director of HR	2016	\$ 120,616	\$ 9,659	(5) \$ 130,275

Mr. Long's "Other Compensation" for 2017 consisted of: \$12,558 as a 5% employer contribution and \$3,767 as an employer matching contribution to The Bank of Glen Burnie 401(K) Profit Sharing Plan; and \$17,049 health plan benefits (including health, dental and EAP), \$89 term life insurance benefits, and \$1,096 disability insurance benefits. Mr. Long joined the Bank as of February 8, 2016 and took over the position of President and CEO as of (1) April 1, 2016. Mr. Long's "Other Compensation" for 2016 consisted of: \$2,885 as a 5% employer contribution and \$865 as an employer matching contribution to The Bank of Glen Burnie 401(K) Profit Sharing Plan; and \$723 health plan benefits (including health and EAP), \$59 term life insurance benefits, and \$366 disability insurance benefits.

Mr. Hines was appointed Executive Vice President on January 12, 2017. Mr. Hines's "Other Compensation" for 2017 consisted of: \$8,339 as a 5% employer contribution and \$2,502 as an employer matching contribution to The Bank of Glen Burnie 401(K) Profit Sharing Plan; \$89 term life insurance benefits; and \$14,299 for health plan benefits (2) (including health, dental and EAP), and \$1,096 disability insurance benefits. Mr. Hines's "Other Compensation" for 2016 consisted of: \$7,212 as a 5% employer contribution and \$2,163 as an employer matching contribution to The Bank of Glen Burnie 401(K) Profit Sharing Plan; \$89 term life insurance benefits; and \$14,504 for health plan benefits (including health, dental and EAP), and \$1,099 disability insurance benefits.

(3) Mr. Harris' "Other Compensation" for 2017 consisted of: \$1,824 as a 5% employer contribution and \$547 as an employer matching contribution to The Bank of Glen Burnie 401(K) Profit Sharing Plan; \$59 term life insurance benefits; and \$93 disability insurance benefits. Mr. Harris started employment with The Bank of Glen Burnie on March 30, 2017.

(4) Ms. Smith's "Other Compensation" for 2017 consisted of: \$6,317 as a 5% employer contribution and \$1,895 as an employer matching contribution to The Bank of Glen Burnie 401(K) Profit Sharing Plan; \$89 term life insurance benefits, and \$1,096 disability insurance benefits. Ms. Smith's "Other Compensation" for 2016 consisted of: \$3,006 as a 5% employer contribution and \$902 as an employer matching contribution to The Bank of Glen Burnie 401(K) Profit Sharing Plan; \$89 term life insurance benefits, and \$1,096 disability insurance benefits.

(5) Ms. Stambaugh's "Other Compensation" for 2017 consisted of: \$6,210 as a 5% employer contribution and \$1,863 as an employer matching contribution to The Bank of Glen Burnie 401(K) Profit Sharing Plan; \$89 term life insurance benefits; \$216 representing the dollar value to Ms. Stambaugh of the premiums on a term life insurance policy for her benefit; \$145 for health plan benefits (including health, dental and EAP), and \$1,096 disability insurance benefits. Ms. Stambaugh's "Other Compensation" for 2016 consisted of: \$6,051 as a 5% employer contribution and \$1,815 as an employer matching contribution to The Bank of Glen Burnie 401(K) Profit Sharing Plan; \$89 term life insurance benefits; \$395 representing the dollar value to Ms. Stambaugh of the premiums on a term life insurance policy for her benefit; \$210 for health plan benefits (including health, dental and EAP), and \$1,099 disability insurance benefits.

### **Change in Control Severance Plan**

The Company and the Bank maintain a Change in Control Severance Plan. All employees, including the named executive officers, and Board members of the Company, the Bank and affiliates of the Company or Bank who, on the date of a change in control, are not parties to an employment agreement or change in control severance agreement with the applicable employer, are eligible to participate in the Plan. A "change in control" is defined as any one of the following events: (i) the acquisition of ownership, holding or power to vote more than 25% of the Company's voting stock, (ii) the acquisition of the ability to control the election of a majority of the Bank's or the Company's directors, (iii) the acquisition of a controlling influence over the management or policies of the Bank or the Company by any person or by persons acting as a "group" (within the meaning of Section 13(d) of the Exchange Act, or (iv) during any period of two consecutive years, individuals who at the beginning of such period constitute the board of directors of the Bank or the Company (excluding individuals whose election or nomination for election as a member of the existing board was approved by a vote of at least two-thirds of the continuing directors then in office) cease for any reason to constitute at least two-thirds thereof.

Under the terms of the Plan, in the event the individual voluntarily terminates his employment within two years following a change in control, or in the event the individual's employment is terminated by the Bank (or its successor) for any reason, other than cause, within two years following a change in control, the individual is entitled to receive the benefits specified in the Plan based on the individual's position with the employer and, in some instances, years of



service on the date of the change in control. The payment will be made either in a lump sum or in installments, at the option of the individual. Under the Plan, upon a change in control, Mr. Long and Mr. Hines would receive an amount equal to the aggregate present value of 2.99 times their average annual taxable compensation from the Company for the prior five complete years, Ms. Stambaugh would receive an amount equal to 130 weeks of her gross weekly salary as of the date of termination. Mr. Harris and Ms. Smith would receive 104 weeks of their gross weekly salary as of the date of termination. In addition, Mr. Harris, Ms. Stambaugh and Ms. Smith would receive \$10,000 toward the premiums for their COBRA medical insurance coverage following the termination of employment if they elected to receive COBRA benefits. Mr. Harris, Ms. Stambaugh and Ms. Smith's cash payment and COBRA benefits may not exceed 2.99 times their average annual taxable compensation from the Company for the prior five complete years.

If change in control payments were triggered today, the named executive officers would receive the following amounts: Mr. Long, \$722,033; Mr. Hines, \$421,032; Mr. Harris, \$295,679; Ms. Stambaugh, \$311,295, and Ms. Smith \$238,643.

## Employee Stock Purchase Plan

All employees, including the named executive officers, are eligible to participate in the Company's Employee Stock Purchase Plan at levels determined by the Bank's human resources department and commensurate with each employee's salary level. The Board believes that by making shares of the Company's stock available to employees at a discounted price, employees become vested in the successful financial performance of the Bank and the Company.

## REPORT OF THE AUDIT COMMITTEE

The Audit Committee has reviewed and discussed with management the annual audited financial statements of the Company and its subsidiaries.

The Audit Committee has discussed with TGM Group LLC, the independent auditors for the Company for 2017, the matters required to be discussed by Statement on Auditing Standards 61, as amended, as adopted by the Public Company Accounting Oversight Board in Rule 3200T. The Audit Committee has received the written disclosures and the letter from the independent auditors required by Rule 3526, *Communication with Audit Committees Concerning Independence*, as adopted by the Public Company Accounting Oversight Board and has discussed with the independent auditors the independent auditors' independence.

The Audit Committee discussed and reviewed with the independent registered public accounting firm, who are responsible for expressing an opinion on the conformity of the audited financial statements with accounting principles generally accepted in the United States, their judgments as to the quality, not just the acceptability, of the Company's accounting principles and such other matters as are required to be discussed with the Audit Committee by Auditing Standard 1301: *Communication with Audit Committees* promulgated by the Public Company Accounting Oversight Board.

Based on the foregoing review and discussions, the Audit Committee recommended to the Company's Board of Directors that the audited financial statements be included in the Company's Annual Report on Form 10-K for the year 2017 for filing with the Securities and Exchange Commission.

### Audit Committee

Norman E. Harrison, Jr., Chairman      Thomas Clocker

Karen B. Thorwarth                      Andrew Cooch

PROPOSAL II — AUTHORIZATION FOR APPOINTMENT OF AUDITORS

**Selection of Auditors**

TGM Group LLC was the Company's independent auditing firm for the 2017 fiscal year. A representative of TGM Group LLC is expected to be present at the Annual Meeting to respond to questions from stockholders and will have the opportunity to make a statement if he or she so desires. **The Board of Directors recommends a vote FOR the proposal to authorize the Board of Directors to accept the selection of the Audit Committee of an outside auditing firm for the ensuing year.**

**Disclosure of Independent Auditor Fees**

The following is a description of the fees billed to the Company by TGM Group LLC ("TGM") during the years ended December 31, 2016 and 2017:

*Audit Fees.* Audit fees include fees paid by the Company to TGM in connection with the annual audit of the Company's consolidated financial statements, and review of the Company's quarterly interim financial statements. Audit fees also include fees for services performed by TGM that are closely related to the audit and in many cases could only be provided by our independent auditors. Such services include consents related to SEC and other regulatory filings. The aggregate fees billed to the Company by TGM for audit services rendered to the Company for the years ended December 31, 2016 and December 31, 2017 totaled \$129,350 and \$105,842, respectively.

*Audit Related Fees.* Audit related services include accounting consultations and employee benefit plan audits. The aggregate fees billed to the Company by TGM for audit related services rendered to the Company for the years ended December 31, 2016 and December 31, 2017 totaled \$14,497 and \$15,169, respectively.

*Tax Fees.* Tax fees include corporate tax compliance, counsel and advisory services. The aggregate fees billed to the Company by TGM for the tax related services rendered to the Company for the years ended December 31, 2016 and December 31, 2017 totaled \$9,331 and \$12,770, respectively.

*All Other Fees.* The aggregate fees billed to the Company by TGM for all other services rendered to the Company for matters such as general consulting services and services in connection with annual and special meetings of stockholders for the years ended December 31, 2016 and December 31, 2017 totaled \$4,630 and \$2,911, respectively.

### **Approval of Independent Auditor Services and Fees**

The Company's Audit Committee reviews all fees charged by the Company's independent auditors, and actively monitors the relationship between audit and non-audit services provided. The Audit Committee must pre-approve all audit and non-audit services provided by the Company's independent auditors and fees charged.

### **OTHER MATTERS**

The Board of Directors is not aware of any business to come before the Annual Meeting other than those matters described above in this proxy statement and matters incident to the conduct of the Annual Meeting. However, if any other matters should properly come before the Annual Meeting, it is intended that proxies in the accompanying form will be voted in respect thereof in accordance with the determination of a majority of the named proxies.

### **MISCELLANEOUS**

The cost of soliciting proxies will be borne by the Company. The Company will reimburse brokerage firms and other custodians, nominees and fiduciaries for reasonable expenses incurred by them in sending proxy materials to the beneficial owners of Common Stock. In addition to solicitations by mail, directors, officers and regular employees of the Company may solicit proxies personally or by telegraph or telephone without additional compensation therefore.

The Company's 2017 Annual Report to Stockholders, including financial statements, has been mailed to all stockholders of record as of the close of business on the Record Date with this Proxy Statement. Any stockholder who has not received a copy of such Annual Report may obtain a copy by writing to the Secretary of the Company. Such Annual Report is not to be treated as a part of the proxy solicitation material or as having been incorporated herein by reference. **A copy of the Company's Form 10-K for the fiscal year ended December 31, 2017 as filed with the**

**Securities and Exchange Commission will be furnished without charge to stockholders as of the Record Date upon written request to Chief Financial Officer, Glen Burnie Bancorp, 101 Crain Highway, S.E., Glen Burnie, Maryland 21061.**

## **STOCKHOLDER PROPOSALS**

Any stockholder desiring to present a proposal at the 2019 Annual Meeting of Stockholders and wishing to have that proposal included in the proxy statement for that meeting must submit the same in writing to the Secretary of the Company at 101 Crain Highway, S.E., Glen Burnie, Maryland 21061, in time to be received by December 13, 2018. The persons designated by the Company to vote proxies given by stockholders in connection with the Company's 2019 Annual Meeting of Stockholders will not exercise any discretionary voting authority granted in such proxies on any matter not disclosed in the Company's 2019 proxy statement with respect to which the Company has received written notice no later than February 26, 2019 that a stockholder (i) intends to present such matter at the 2019 Annual Meeting, and (ii) intends to and does distribute a proxy statement and proxy card to holders of such percentage of the shares of Common Stock required to approve the matter. If a stockholder fails to provide evidence that the necessary steps have been taken to complete a proxy solicitation on such matter, the Company may exercise its discretionary voting authority if it discloses in its 2019 proxy statement the nature of the proposal and how it intends to exercise its discretionary voting authority.

BY ORDER OF THE BOARD OF DIRECTORS

*Michelle Stambaugh*  
secretary

Glen Burnie, Maryland  
April 12, 2018

C123456789 GLEN BURNIE BANCORP IMPORTANT ANNUAL MEETING INFORMATION 000004  
\_\_\_\_\_ SACKPACK\_\_\_\_\_ MMMMMMMMMM MR A SAMPLE DESIGNATION (IF ANY) ADD  
1 ADD 2 ADD 3 ADD 4 ADD 5 ADD 6 Using a black ink pen, mark your votes with an X as shown in this example.  
Please do not write outside the designated areas. X Annual Meeting Proxy Card Electronic Voting Instructions  
Available 24 hours a day, 7 days a week! Instead of mailing your proxy, you may choose the voting method outlined  
below to vote your proxy. VALIDATION DETAILS ARE LOCATED BELOW IN THE TITLE BAR. Proxies  
submitted by the Internet must be received by 11:59 p.m., EST, on May7, 2018. Vote by Internet • Go to  
www.investorvote.com/GLBZ • Or scan the QR code with your smartphone • Follow the steps outlined on the secure  
website 1234 5678 9012 345 q IF YOU HAVE NOT VOTED VIA THE INTERNET, FOLD ALONG THE  
PERFORATION, DETACH AND RETURN THE BOTTOM PORTION IN THE ENCLOSED ENVELOPE. q A  
Proposals — The Board of Directors recommends a vote FOR all the nominees listed and FOR Proposal 2. 1. To elect as  
directors all nominees listed below: 01 – Andrew Cooch 02 – Norman E. Harrison 03 – John D. Long + Mark here to vote  
FOR all nominees Mark here to WITHHOLD vote from all nominees For All EXCEPT - To withhold authority to  
vote for any nominee(s), write the name(s) of such nominee(s) below. 2. To authorize the Board of Directors to accept  
the auditors selected by the Audit Committee for the 2018 fiscal year. For Against Abstain B Non-Voting Items  
Change of Address — Please print your new address below. Comments — Please print your comments below. C  
Authorized Signatures — This section must be completed for your vote to be counted. — Date and Sign Below Meeting  
Attendance Mark the box to the right if you plan to attend the Annual Meeting. Please sign exactly as your name  
appears on the envelope in which this proxy was mailed. When signing as attorney, executor, administrator, trustee or  
guardian, please give your full title. If shares are held jointly, each holder should sign. Date (mm/dd/yyyy) — Please  
print date below. Signature 1 — Please keep signature within the box. Signature 2 — Please keep signature within the box. /  
/ MMMMMMMMC 1234567890 1 U P X 3 2 5 7 4 0 1 J N T MR A SAMPLE (THIS AREA IS SET UP TO  
ACCOMMODATE 140 CHARACTERS) MR A SAMPLE AND MR A SAMPLE AND MR A SAMPLE AND MR  
A SAMPLE AND MR A SAMPLE AND MR A SAMPLE AND MR A SAMPLE AND MR A SAMPLE AND +  
02KEDC

IMPORTANT ANNUAL MEETING INFORMATION IMPORTANT NOTICE REGARDING THE AVAILABILITY OF PROXY MATERIALS FOR THE STOCKHOLDER MEETING TO BE HELD ON MAY 10, 2018 THE PROXY STATEMENT AND THE ANNUAL REPORT ARE AVAILABLE AT: [www.edocumentview.com/GLBZ](http://www.edocumentview.com/GLBZ) q IF YOU HAVE NOT VOTED VIA THE INTERNET, FOLD ALONG THE PERFORATION, DETACH AND RETURN THE BOTTOM PORTION IN THE ENCLOSED ENVELOPE. q REVOCABLE PROXY — GLEN BURNIE BANCORP 2018 ANNUAL MEETING OF STOCKHOLDERS THIS PROXY IS SOLICITED BY THE BOARD OF DIRECTORS. The undersigned hereby constitutes and appoints John E. Demyan and John D. Long, or a majority of them, with full powers of substitution, as attorneys-in-fact and agents for the undersigned, to vote all shares of Common Stock of Glen Burnie Bancorp which the undersigned is entitled to vote at the Annual Meeting of Stockholders, to be held at The Bank of Glen Burnie, 101 Crain Highway, SE, Glen Burnie, Maryland on Thursday, May 10, 2018 at 2:00 p.m., Eastern Time (the “Annual Meeting”), and at any and all adjournments thereof, as indicated below and as determined by a majority of the named proxies with respect to any other matters presented at the Annual Meeting. The Board of Directors recommends a vote “FOR” the election of the nominees listed. The Board of Directors recommends a vote "FOR" the authorization to select the auditors. THIS PROXY WILL BE VOTED AS DIRECTED, BUT IF NO INSTRUCTIONS ARE SPECIFIED, THIS PROXY WILL BE VOTED FOR EACH OF THE ABOVE NOMINEES AND FOR PROPOSAL 2. IF ANY OTHER BUSINESS IS PROPERLY PRESENTED AT THE ANNUAL MEETING, THIS PROXY WILL BE VOTED BY THOSE NAMED IN THIS PROXY IN ACCORDANCE WITH THE DETERMINATION OF A MAJORITY OF THE NAMED PROXIES. THIS PROXY CONFERS DISCRETIONARY AUTHORITY ON THE HOLDERS THEREOF TO VOTE WITH RESPECT TO THE ELECTION OF ANY PERSON AS DIRECTOR WHERE THE NOMINEE IS UNABLE TO SERVE OR FOR GOOD CAUSE WILL NOT SERVE AND MATTERS INCIDENT TO THE CONDUCT OF THE ANNUAL MEETING. Should the above signed be present and elect to vote at the Annual Meeting or at any adjournment thereof and after notification to the Secretary of the Company at the Annual Meeting of the stockholder’s decision to terminate this proxy, then the power of said attorneys and proxies shall be deemed terminated and of no further force and effect. The above signed hereby revokes any and all proxies heretofore given with respect to the shares of Common Stock held of record by the above signed. The above signed acknowledges receipt from the Company prior to the execution of this proxy of notice and a proxy statement and a 2017 Annual Report to stockholders for the annual meeting. IF YOUR ADDRESS HAS CHANGED, PLEASE CORRECT THE ADDRESS IN THE SPACE PROVIDED BELOW AND RETURN THIS PORTION WITH THE PROXY IN THE ENVELOPE PROVIDED PLEASE ACT PROMPTLY SIGN, DATE & MAIL YOUR PROXY CARD TODAY