

**UNITED STATES  
FEDERAL DEPOSIT INSURANCE CORPORATION  
Washington, D.C. 20429**

**SCHEDULE 14A**

Proxy Statement Pursuant to Section 14(a) of  
the Securities Exchange Act of 1934 (Amendment No. )

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 under §240.14a-12

**NORTHEAST BANK**

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(Name of Registrant as Specified In Its Charter)

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(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)(1) and 0-11.

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

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(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):

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Fee paid previously with preliminary materials.

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(1) Amount Previously Paid:

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

(3) Filing Party:

(4) Date Filed:



March 19, 2021

Dear Northeast Bank Shareholder:

You are cordially invited to attend a special meeting of shareholders of Northeast Bank, which will be held on April 30, 2021 at 10:00 a.m., Eastern time, at Northeast Bank, 200 Berkeley St., 17<sup>th</sup> Floor, Boston, MA 02116. Shareholders may also vote their shares and participate virtually at the special meeting by means of remote communication. We strongly encourage shareholders and others to attend the special meeting virtually rather than in person due to public health concerns associated with the COVID-19 pandemic. Our Board of Directors and most members of management will access the special meeting from remote locations and will be not present in person.

At the meeting, you will be asked to approve the Northeast Bank 2021 Stock Option and Incentive Plan. The proxy statement, with the accompanying formal notice of the meeting, describes the matters expected to be acted upon at the special meeting. We urge you to review these materials carefully.

Your vote is important. ***Whether or not you expect to attend the special meeting, please vote as soon as possible to ensure that your shares are represented at the meeting.*** Instructions on how to vote are contained in the proxy statement.

Thank you for your continued support of Northeast Bank.

Sincerely,

A handwritten signature in black ink, appearing to read "Richard Wayne", with a long horizontal stroke extending to the right.

Richard Wayne  
*President and Chief Executive Officer*

**NORTHEAST BANK**  
27 Pearl Street  
Portland, Maine 04101

**NOTICE OF SPECIAL MEETING OF SHAREHOLDERS  
TO BE HELD ON APRIL 30, 2021**

A special meeting of shareholders of Northeast Bank will be held on April 30, 2021 at 10:00 a.m., Eastern time, at Northeast Bank, 200 Berkeley St., 17<sup>th</sup> Floor, Boston, MA 02116. Shareholders may also vote their shares and participate virtually at the special meeting by visiting [www.meetingcenter.io/214972966](http://www.meetingcenter.io/214972966). We strongly encourage shareholders and others to attend the special meeting virtually rather than in person due to public health concerns associated with the COVID-19 pandemic. The special meeting will be held for the following purposes:

1. To approve the Northeast Bank 2021 Stock Option and Incentive Plan.
2. To approve the adjournment of the special meeting, if necessary, to solicit additional proxies in the event that there are not sufficient votes at the time of the special meeting to approve the Northeast Bank 2021 Stock Option and Incentive Plan.

You may vote if you were a holder of shares of voting common stock of record as of the close of business on March 9, 2021. If you do not plan to attend the special meeting and vote your shares of voting common stock during the special meeting, we urge you to vote your shares as instructed in the proxy statement. Please complete, date, sign and return the accompanying proxy card, or submit your proxy electronically via the Internet or telephone.

If your shares of voting common stock are held by a broker, bank or other nominee, please follow the instructions you receive from your broker, bank or other nominee to have your shares of voting common stock voted.

Any proxy may be revoked at any time prior to its exercise at the special meeting.

By Order of the Board of Directors



Date: March 19, 2021

Heidi Jacques  
*Corporate Clerk*

**Important Notice Regarding the Availability of Proxy Materials for  
the Special Meeting of Shareholders to be Held on April 30, 2021**

We have adopted the Securities and Exchange Commission rule allowing companies to furnish proxy materials to their shareholders over the Internet. We believe that this expedites shareholders' receipt of proxy materials and lowers the costs of our special meeting. On or about March 19, 2021, we mailed a Notice of Internet Availability of Proxy Materials (the "Notice") to all shareholders of record of voting common stock as of March 9, 2021, containing instructions on how to access our proxy statement and vote your shares. The Notice also contains instructions on how you can (i) receive a paper copy of the proxy materials, if you only received a Notice by mail, or (ii) elect to receive your proxy materials over the Internet.

**The proxy statement is available at <http://www.investorvote.com/NBN>.**

**NORTHEAST BANK**  
27 Pearl Street  
Portland, Maine

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**PROXY STATEMENT**

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This proxy statement is being first made available to shareholders of Northeast Bank on or about March 19, 2021, and is being furnished in connection with the solicitation of proxies by the Board of Directors of Northeast Bank (the “Board”) for use at the special meeting of shareholders of Northeast Bank to be held on April 30, 2021 at 10:00 a.m., Eastern time, at Northeast Bank, 200 Berkeley St., 17<sup>th</sup> Floor, Boston, MA 02116, and at any adjournments or postponements thereof. Shareholders may also vote their shares and participate virtually at the special meeting, by means of remote communication. We strongly encourage shareholders and others to attend the special meeting virtually rather than in person due to public health concerns associated with the COVID-19 pandemic.

In this proxy statement, the terms “Northeast,” “the Bank,” “we,” “our” and “us” refer to Northeast Bank.

**Important Notice Regarding the Availability of Proxy Materials  
for the Special Meeting of Shareholders To Be Held on April 30, 2021**

We have adopted the Securities and Exchange Commission (the “SEC”) rule allowing companies to furnish proxy materials to their shareholders over the Internet. We believe that this expedites shareholders’ receipt of proxy materials and lowers the costs of our meetings. On or about March 19, 2021, we mailed a Notice of Internet Availability of Proxy Materials (the “Notice”) to all shareholders of record of voting common stock as of March 9, 2021, containing instructions on how to access our proxy statement and vote your shares. The Notice also contains instructions on how you can (i) receive a paper copy of the proxy materials, if you only received a Notice by mail, or (ii) elect to receive your proxy materials over the Internet.

**QUESTIONS AND ANSWERS ABOUT THE SPECIAL MEETING**

**How do I register and virtually attend the special meeting?**

If you are a registered shareholder (i.e., you hold your shares through our transfer agent, Computershare), you do not need to register to attend the special meeting virtually on the Internet. Please follow the instructions on the notice or proxy card that you received.

If you hold your shares through an intermediary, such as a bank or broker, you must register in advance to attend the special meeting virtually on the Internet. To register to attend the special meeting online by webcast you must submit proof of your proxy power (legal proxy) reflecting your Northeast Bank holdings along with your name and email address to Computershare. Requests for registration should be directed to:

Computershare  
Northeast Bank Legal Proxy  
P.O. Box 43001  
Providence, RI 02940-3001

Requests for registration must be labeled as “Legal Proxy” and be received no later than 5:00 p.m., Eastern time, on April 16, 2021.

You will receive a confirmation of your registration by email after we receive your registration materials.

### **Why am I receiving this proxy statement?**

You are receiving this proxy statement and the enclosed proxy card because our Board of Directors is soliciting your proxy to vote at the special meeting of shareholders. This proxy statement contains detailed information you need to know in order to vote at the special meeting. The proxy card is used for voting on the proposals.

### **What am I voting on?**

You are being asked to vote on the following items at the special meeting:

1. To approve the Northeast Bank 2021 Stock Option and Incentive Plan.
2. To approve the adjournment of the special meeting, if necessary, to solicit additional proxies in the event that there are not sufficient votes at the time of the special meeting to approve the Northeast Bank 2021 Stock Option and Incentive Plan.

### **Who is entitled to vote?**

If you were a shareholder of record of voting common stock (a "Voting Shareholder") as of the close of business on March 9, 2021, (the "Record Date"), you are entitled to receive notice of the special meeting and to vote the shares of voting common stock that you held as of the close of business on the Record Date, if any.

### **May I attend the meeting?**

All shareholders of record at the close of business on the Record Date, or their designated proxies, are authorized to attend the special meeting. However, we strongly encourage shareholders and others to attend the special meeting in virtually rather than in person due to public health concerns associated with the COVID-19 pandemic.

You will be able to attend the special meeting online and submit your questions during the meeting by visiting [www.meetingcenter.io/214972966](http://www.meetingcenter.io/214972966). You also will be able to vote your shares online by attending the special meeting virtually on the Internet.

To participate in the special meeting, you will need to review the information included on your notice, on your proxy card or on the instructions that accompanied your proxy materials. The password for the meeting is NBN2021.

If you hold your shares through an intermediary, such as a bank or broker, you must register in advance to attend the special meeting virtually on the Internet, using the instructions above.

The online meeting will begin promptly at 10:00 a.m., Eastern time. We encourage you to access the meeting prior to the start time leaving ample time for the check in. Please follow the registration instructions as outlined in this proxy statement.

### **What constitutes a quorum?**

The presence, in person, virtually or by proxy, of holders of at least a majority of the total number of outstanding shares of voting common stock entitled to vote is necessary to constitute a quorum for the transaction of business at the special meeting. As of the Record Date, there were 8,344,797 shares of voting common stock outstanding and entitled to vote at the special meeting. Each share of voting common stock outstanding on the Record Date is entitled to one vote on each matter properly submitted at the special meeting. Abstentions will be counted for purposes of determining whether a quorum is present for the transaction of business at the special meeting. "Broker non-votes" (i.e., shares represented at the meeting held by brokers, as to which instructions have not been received from the beneficial owners or persons entitled to vote such shares and with respect to which, on one or more but not all matters, the broker does not have discretionary voting power to vote such shares) will not be counted for purposes of determining whether a quorum is present. If a quorum is not present, the special meeting will be adjourned until a quorum is obtained.

## How do I vote?

***Voting at the Meeting.*** If you are a Voting Shareholder as of the Record Date and attend the special meeting virtually, you may vote at the meeting using your control number. If your shares of voting common stock are held in “street name” and you wish to vote at the meeting, you will need to obtain a proxy from the broker, bank or other nominee that holds your shares of voting common stock of record.

***Voting by Proxy for Shares Registered Directly in Your Name.*** If you hold your shares of voting common stock in your own name as a holder of record with our transfer agent, Computershare, Inc., you may instruct the proxy holders named in the proxy card how to vote your shares of voting common stock in one of the following ways:

- ***Internet Voting.*** You may provide voting instructions via the Internet by following the instructions provided on your proxy card. The website for Internet proxy voting is printed on your proxy card. Please have your proxy card in hand. You will receive a series of instructions that will allow you to provide voting instructions to your proxy agents for your shares of voting common stock. You will also be given the opportunity to confirm that your instructions have been properly recorded. If you provide voting instructions via the Internet, you do not need to return your proxy card.
- ***Telephone Voting.*** You also have the option to provide voting instructions by calling the toll-free number listed on your proxy card. When you call, please have your proxy card in hand. You will receive a series of voice instructions that will allow you to provide voting instructions to your proxy agents for your shares of voting common stock. You will also be given the opportunity to confirm that your instructions have been properly recorded. If you vote by telephone, you do not need to return your proxy card.
- ***Voting by Mail.*** If you would like to provide voting instructions to your proxy agents by mail, then please mark, sign and date your proxy card and return it promptly to our transfer agent, Computershare, Inc., in the postage-paid envelope provided.

***Voting by Proxy for Shares Registered in Street Name.*** If your shares of voting common stock are held in street name, you will receive instructions from your broker, bank or other nominee that you must follow in order to have your shares of voting common stock voted.

## Will other matters be voted on at the special meeting?

The Board does not intend to present any business at the special meeting other than that described in the Notice of Special Meeting of Shareholders. The Board at this time knows of no other matters which may come before the special meeting, and, in accordance with our bylaws and Maine law, no other business may be transacted at the special meeting unless specified in the Notice of Special Meeting of Shareholders. However, if any procedural matter requiring the vote of the shareholders is properly presented before the special meeting, proxies may be voted with respect thereto in accordance with the discretion of proxy holders, under the discretionary power granted by shareholders to their proxies in connection with general matters.

## May I revoke my proxy instructions?

You may revoke your proxy at any time before it has been exercised by:

- Filing a written revocation with the Corporate Clerk of Northeast Bank, 27 Pearl Street, Portland, Maine 04101;
- Submitting a new proxy by telephone, Internet or proxy card after the time and date of the previously submitted proxy; or
- Attending and voting at the special meeting.

If you are a Voting Shareholder as of the Record Date attending the special meeting, you may vote whether or not a proxy has been previously given, but your presence (without further action) at the special meeting will not constitute revocation of a previously given proxy.

**How can I receive copies of the proxy materials?**

If you wish to request copies free of charge of our annual report or proxy statement, please send your request to our executive offices at c/o Heidi Jacques, Corporate Clerk, Northeast Bank, 27 Pearl Street, Portland, Maine 04101 or visit the “Investor Relations” tab at [www.northeastbank.com/investor-relations](http://www.northeastbank.com/investor-relations).

Additionally, this proxy statement is available on the Bank’s website and at <http://www.investorvote.com/NBN>.



**PROPOSAL 1**  
**APPROVAL OF THE NORTHEAST BANK 2021 STOCK OPTION AND INCENTIVE PLAN**

**General**

The Board believes that stock-based incentive awards can play an important role in the success of the Bank by encouraging and enabling the employees, officers and non-employee directors of the Bank and its subsidiaries upon whose judgment, initiative and efforts the Bank largely depends for the successful conduct of its business to acquire a proprietary interest in the Bank. The Board believes that providing such persons with a direct stake in the Bank assures a closer identification of the interests of such individuals with those of the Bank and its shareholders, thereby stimulating their efforts on our behalf and strengthening their desire to remain with the Bank.

On February 26, 2021, the Board adopted, subject to shareholder approval, the Northeast Bank 2021 Stock Option and Incentive Plan (the “Plan”). The Plan is designed to enhance the flexibility to grant equity awards to our officers, employees and non-employee directors and to ensure that we can continue to grant equity awards to eligible recipients at levels determined to be appropriate by the Board and/or the Compensation Committee. A copy of the Plan is attached as Exhibit A to this proxy statement and is incorporated herein by reference.

If the Plan is approved, we intend to discontinue granting awards under our Amended and Restated 2010 Stock Option and Incentive Plan (the “2010 Plan”).

As of February 1, 2021, there were 8,344,797 shares of common stock outstanding. As of February 1, 2021, there were stock options to acquire 118,342 shares of voting common stock outstanding under our equity compensation plans, with a weighted average exercise price of \$9.49 and a weighted average remaining term of 1.96 years. In addition, as of February 1, 2021, there were 152,093 unvested full value awards with time-based vesting and 15,000 unvested and unearned full value awards with performance-based vesting outstanding under our equity compensation plans. Other than the foregoing, no awards were outstanding under our equity compensation plans as of February 1, 2021. As of February 1, 2021, there were 6,424 shares of voting common stock available for awards under our equity compensation plans.

**Summary of Material Features of the Plan**

The material features of the Plan are:

- The maximum number of shares of voting common stock to be issued under the Plan is 550,000;
- The award of stock options (both incentive and non-qualified options), stock appreciation rights, restricted stock, restricted stock units, unrestricted stock, cash-based awards, and dividend equivalent rights is permitted;
- Shares tendered or held back for taxes will not be added back to the reserved pool under the Plan. Upon the exercise of a stock appreciation right that is settled in shares of voting common stock, the full number of shares underlying the award will be charged to the reserved pool. Additionally, shares of voting common stock we reacquire on the open market will not be added to the reserved pool under the Plan;
- Stock options and stock appreciation rights will not be repriced in any manner without shareholder approval;
- A minimum vesting period of one year is required for all equity awards, other than a limited number of excepted awards under the Plan;
- Any dividends and dividend equivalent rights payable with respect to any equity award are subject to the same vesting provisions as the underlying award;
- We have adopted a clawback policy that allows us to recover incentive compensation (including equity compensation granted pursuant to the Plan) from our executives officers in the event of a material financial restatement due to noncompliance with financial statement requirements arising from material misconduct by a covered executive officer;

- Any material amendment to the Plan is subject to approval by our shareholders; and
- The term of the Plan will expire on April 30, 2031.

Based solely on the closing price of our voting common stock as reported by NASDAQ on February 1, 2021 and the maximum number of shares that would have been available for awards as of such date under the Plan, the maximum aggregate market value of the voting common stock that could potentially be issued under the Plan is \$14,300,000. The shares of voting common stock underlying any awards that are forfeited, canceled or otherwise terminated, other than by exercise, under the Plan and our 2010 Plan will be added back to the shares of voting common stock available for issuance under the Plan. Shares tendered or held back upon exercise of a stock option or settlement of an award under the Plan to cover the exercise price or tax withholding and shares subject to a stock appreciation right that are not issued in connection with the stock settlement of the stock appreciation right upon exercise thereof, will not be added back to the shares of voting common stock available for issuance under the Plan. In addition, shares of voting common stock repurchased on the open market will not be added back to the shares of voting common stock available for issuance under the Plan.

### Rationale for Share Increase

The Plan is critical to our ongoing effort to build shareholder value. Equity incentive awards are an important component of our executive and non-executive employees' compensation. Our Compensation Committee and the Board believe that we must continue to offer a competitive equity compensation program in order to attract, retain and motivate the talented and qualified employees necessary for our continued growth and success.

We manage our long-term shareholder dilution by limiting the number of equity incentive awards granted annually. The Compensation Committee carefully monitors our annual net burn rate, total dilution and equity expense in order to maximize shareholder value by granting only the number of equity incentive awards that it believes are necessary and appropriate to attract, reward and retain our employees. Our compensation philosophy reflects broad-based eligibility for equity incentive awards for high performing employees. By doing so, we link the interests of those employees with those of our shareholders and motivate our employees to act as owners of the business.

#### *Burn rate*

The following table sets forth information regarding historical awards granted and earned for the fiscal 2018 through 2020 period, and the corresponding burn rate, which is defined as the number of shares subject to equity-based awards granted in a year divided by the weighted average number of shares of voting common stock outstanding for that year, for each of the last three fiscal years:

Share Element	2018	2019	2020
Stock Options Granted	-	-	-
Time-Based Full-Value Awards Granted	22,000	116,925	40,000
Adjusted Full-Value Awards Granted <sup>(1)</sup>	33,000	175,388	60,000
<b>Total Awards Granted <sup>(2)</sup></b>	<b>33,000</b>	<b>175,388</b>	<b>60,000</b>
Weighted average common shares outstanding during the fiscal year	8,906,710	9,032,530	8,859,037
<b>Annual Burn Rate</b>	<b>0.37%</b>	<b>1.94%</b>	<b>0.68%</b>
<b>Three-Year Average Burn Rate <sup>(3)</sup></b>		<b>1.00%</b>	

(1) In accordance with corporate governance policy updates published by Institutional Shareholder Services ("ISS"), Adjusted Full-Value Awards Granted represents the total Time-Based Full-Value Awards Granted, subject to a multiplier based on our recent historic stock price volatility. Based on our recent historical stock price volatility and ISS metrics, we have utilized a full-value award multiplier of 1.5 for purposes of calculating the 2018-2020 three-year average burn rate. This does not include the value of full value awards subject to performance-based vesting.

(2) Total Awards Granted represents the sum of Stock Options Granted and Adjusted Full-Value Awards Granted.

- (3) As illustrated in the table above, our three-year average burn rate for the 2018-2020 period was 1.0%, which is below the ISS industry category burn rate threshold of 2.0%.

Our Compensation Committee determined the size of reserved pool under the Plan based on projected equity awards to anticipated new hires, projected annual equity awards to existing employees and an assessment of the magnitude of increase that our institutional investors and the firms that advise them would likely find acceptable. We anticipate that if our request to increase the share reserve is approved by our shareholders, it will be sufficient to provide equity incentives to attract, retain, and motivate employees for the next three years.

### **Summary of the Plan**

The following description of certain features of the Plan is intended to be a summary only. The summary is qualified in its entirety by the full text of the Plan, which is attached hereto as Exhibit A.

*Administration.* The Plan will be administered by the Compensation Committee. The Compensation Committee has full power to select, from among the individuals eligible for awards, the individuals to whom awards will be granted, to make any combination of awards to participants, and to determine the specific terms and conditions of each award, subject to the provisions of the Plan. The Compensation Committee may delegate to a committee consisting of one or more officers of the Bank the authority to grant awards to employees who are not subject to the reporting and other provisions of Section 16 of the Exchange Act, subject to certain limitations and guidelines.

*Eligibility; Plan Limits.* All officers, employees and non-employee directors are eligible to participate in the Plan, subject to the discretion of the administrator. As of February 1, 2021, approximately 57 individuals would have been eligible to participate in the Plan had it been effective on such date, which includes five executive officers, 46 employees who are not executive officers and six non-employee directors. There are certain limits on the number of awards that may be granted under the Plan. For example, no more than 550,000 shares of voting common stock may be granted in the form of incentive stock options.

*Minimum Vesting Period.* The minimum vesting period for each equity award granted under the Plan generally must be at least one year, provided (1) that up to 5% of the shares authorized for issuance under the Plan may be utilized for unrestricted stock awards or other equity awards with a minimum vesting period of less than one year and (2) annual awards to non-employee directors that occur in connection with the Bank's annual meeting of shareholders may vest on the date of the Bank's next annual meeting of shareholders. In addition, the Compensation Committee may grant equity awards that vest within one year (i) if such awards are granted as substitute awards in replacement of other awards (or awards previously granted by an entity being acquired (or assets of which are being acquired)) that were scheduled to vest within one year or (ii) if such awards are being granted in connection with an elective deferral of cash compensation that, absent a deferral election, otherwise would have been paid to the grantee within the one year.

*Stock Options.* The Plan permits the granting of (1) options to purchase voting common stock intended to qualify as incentive stock options under Section 422 of the Code and (2) options that do not so qualify. Options granted under the Plan will be non-qualified options if they fail to qualify as incentive stock options or exceed the annual limit on incentive stock options. Incentive stock options may only be granted to employees of the Bank and its subsidiaries. Non-qualified options may be granted to any persons eligible to receive incentive stock options and to non-employee directors. The option exercise price of each option will be determined by the Compensation Committee. Except in the case of options (i) granted pursuant to a transaction described in, and in a manner consistent with, Section 424(a) of the Code, (ii) granted to individuals who are not subject to U.S. income tax on the date of grant or (iii) that are compliant with Section 409A of the Code, the exercise price of an option may not be less than 100% of the fair market value of the voting common stock on the date of grant. Fair market value for this purpose will be determined by reference to the price of the shares of voting common stock on NASDAQ. The exercise price of an option may not be reduced after the date of the option grant without shareholder approval, other than to appropriately reflect changes in our capital structure.

The term of each option will be fixed by the Compensation Committee and may not exceed ten years from the date of grant. The Compensation Committee will determine at what time or times each option may be exercised. Options may be made exercisable in installments and the exercisability of options may be accelerated by the Compensation Committee. In general, unless otherwise permitted by the Compensation Committee, no option

granted under the Plan is transferable by the optionee other than by will or by the laws of descent and distribution or pursuant to a domestic relations order, and options may be exercised during the optionee's lifetime only by the optionee, or by the optionee's legal representative or guardian in the case of the optionee's incapacity.

Upon exercise of options, the option exercise price must be paid in full either in cash, by certified or bank check or other instrument acceptable to the Compensation Committee or by delivery (or attestation to the ownership) of shares of voting common stock that are beneficially owned by the optionee and that are not subject to risk of forfeiture. Subject to applicable law, the exercise price may also be delivered to the Bank by a broker pursuant to irrevocable instructions to the broker from the optionee. In addition, non-qualified options may be exercised using a net exercise feature which reduces the number of shares issued to the optionee by the number of shares with a fair market value equal to the exercise price.

To qualify as incentive stock options, options must meet additional federal tax requirements, including a \$100,000 limit on the value of shares subject to incentive stock options that first become exercisable by a participant in any one calendar year.

*Stock Appreciation Rights.* The Compensation Committee may award stock appreciation rights subject to such conditions and restrictions as the Compensation Committee may determine. Stock appreciation rights entitle the recipient to shares of voting common stock or cash equal to the value of the appreciation in the stock price over the exercise price. The exercise price may not be less than the fair market value of the voting common stock on the date of grant. The term of a stock appreciation right may not exceed ten years.

*Restricted Stock.* The Compensation Committee may award shares of voting common stock to participants subject to such conditions and restrictions as the Compensation Committee may determine. These conditions and restrictions may include the achievement of certain performance goals and/or continued employment (or other service relationship) with us through a specified restricted period. During the vesting period, restricted stock awards may be credited with dividends (but dividends payable with respect to restricted stock awards shall not be paid unless and until the award vests).

*Restricted Stock Units.* The Compensation Committee may award restricted stock units to participants. Restricted stock units are ultimately payable in the form of shares of voting common stock or cash subject to such conditions and restrictions as the Compensation Committee may determine. These conditions and restrictions may include the achievement of certain performance goals and/or continued employment (or other service relationship) with the Bank through a specified vesting period. In the Compensation Committee's sole discretion, it may permit a participant to make an advance election to receive a portion of his or her future cash compensation otherwise due in the form of a restricted stock unit award, subject to the participant's compliance with the procedures established by the Compensation Committee and requirements of Section 409A of the Code. During the deferral period, the deferred stock awards may be credited with dividend equivalent rights (but dividends payable with respect to restricted stock units shall not be paid unless and until the award vests).

*Unrestricted Stock Awards.* The Compensation Committee may also grant shares of voting common stock that are free from any restrictions under the Plan. Unrestricted stock may be granted to any participant in recognition of past services or other valid consideration and may be issued in lieu of cash compensation due to such participant.

*Dividend Equivalent Rights.* The Compensation Committee may grant dividend equivalent rights to participants, which entitle the recipient to receive credits for dividends that would be paid if the recipient had held specified shares of voting common stock. Dividend equivalent rights granted as a component of another award shall be paid only if the related award becomes vested. Dividend equivalent rights may be settled in cash, shares of voting common stock or a combination thereof, in a single installment or installments, as specified in the award.

*Cash-Based Awards.* The Compensation Committee may grant cash bonuses under the Plan to participants. The cash bonuses may be subject to the achievement of certain performance goals.

*Change of Control Provisions.* In the event of a "sale event," as defined in the Plan, awards under the Plan may be assumed, continued or substituted. In the event that awards are not assumed, continued or substituted, except as otherwise provided by the Compensation Committee in the award agreement, upon the effective time of the sale

event, all awards with time-based conditions or restrictions will become vested and exercisable or non-forfeitable upon the sale event, and awards with conditions and restrictions relating to the attainment of performance goals shall become vested and non-forfeitable in connection with a sale event assuming the greater of (i) actual performance and (ii) target performance, prorated based upon the elapsed proportion of the performance period prior to the sale event. In addition, the Bank may make or provide for payment, in cash or in kind, to participants holding options and stock appreciation rights equal to the difference between the per share cash consideration and the exercise price of the options or stock appreciation rights (provided that, in the case of an option or stock appreciation right with an exercise price equal to or greater than the per share cash consideration, such option or stock appreciation right shall be cancelled for no consideration). The Compensation Committee shall also have the option to make or provide for a payment, in cash or in kind, to grantees holding other awards in an amount equal to the per share cash consideration multiplied by the number of vested shares under such awards. All awards will terminate in connection with a sale event unless they are assumed by the successor entity.

*Adjustments for Stock Dividends, Stock Splits, Etc.* The Plan requires the Compensation Committee to make appropriate adjustments to the number of shares of voting common stock that are subject to the Plan, to certain limits in the Plan, and to any outstanding awards to reflect stock dividends, stock splits, extraordinary cash dividends and similar events.

*Awards Subject to Clawback Policy.* Awards under the Plan shall be subject to the Bank's clawback policy, as in effect from time to time. The Bank's clawback policy generally permits the Bank to recover any excess compensation (whether cash or equity compensation) from any executive officer of the Bank who engaged in misconduct that resulted in a material restatement of the Bank's financial statements.

*Tax Withholding.* Participants in the Plan are responsible for the payment of any federal, state or local taxes that the Bank is required by law to withhold upon the exercise of options or stock appreciation rights or vesting of other awards. The Compensation Committee may require that tax withholding obligations satisfied by withholding shares of voting common stock to be issued pursuant to exercise or vesting. The Compensation Committee may also require the Bank's tax withholding obligation to be satisfied, in whole or in part, by an arrangement whereby a certain number of shares issued pursuant to any award are immediately sold and proceeds from such sale are remitted to the Bank in an amount that would satisfy the withholding amount due.

*Amendments and Termination.* The Board may at any time amend or discontinue the Plan and the Compensation Committee may at any time amend or cancel any outstanding award for the purpose of satisfying changes in the law or for any other lawful purpose. However, no such action may adversely affect any rights under any outstanding award without the holder's consent. To the extent required under the rules of NASDAQ, any amendments that materially change the terms of the Plan will be subject to approval by our shareholders. Amendments shall also be subject to approval by our shareholders if and to the extent determined by the Compensation Committee to be required by the Code to preserve the qualified status of incentive stock options.

*Effective Date of Plan.* The Plan was approved by our Board on February 26, 2021. Awards of incentive stock options may be granted under the Plan until February 26, 2031. No other awards may be granted under the Plan after the date that is ten years from the date of shareholder approval.

## New Plan Benefits

Because the grant of awards under the Plan is within the discretion of the Compensation Committee, the Bank cannot determine the dollar value or number of shares of voting common stock that will in the future be received by or allocated to any participant in the Plan. Accordingly, in lieu of providing information regarding benefits that will be received under the Plan, the following table provides information concerning the benefits that were received by the following persons and groups during fiscal 2020: each named executive officer; all current executive officers, as a group; all current directors who are not executive officers, as a group; and all current employees who are not executive officers, as a group.

Name and Position	Options		Stock Awards	
	Average Exercise Price (\$)	Number of Awards (#)	Dollar Value (\$) <sup>(1)</sup>	Number of Awards (#)
Richard Wayne, <i>President and Chief Executive Officer</i>	-	-	-	-
Patrick Dignan, <i>Executive Vice President and Chief Credit Officer</i>	-	-	328,200	15,000
Brian Pinheiro, <i>Chief Risk Officer</i>	-	-	-	-
All current executive officers, as a group	-	-	-	-
All current directors who are not executive officers, as a group	-	-	-	-
All current employees who are not executive officers, as a group	-	-	437,600 <sup>(2)</sup>	20,000

(1) The valuation of stock awards is based on the grant date fair value computed in accordance with FASB ASC Topic 718. For a discussion of the assumptions used in calculating these values, see Note 13 to our financial statements in our annual report on Form 10-K for the fiscal year ended June 30, 2020.

(2) Represents the aggregate grant date fair value for the group.

## Tax Aspects Under the Code

The following is a summary of the principal federal income tax consequences of certain transactions under the Plan. It does not describe all federal tax consequences under the Plan, nor does it describe state or local tax consequences.

*Incentive Stock Options.* No taxable income is generally realized by the optionee upon the grant or exercise of an incentive stock option. If shares of voting common stock issued to an optionee pursuant to the exercise of an incentive stock option are sold or transferred after two years from the date of grant and after one year from the date of exercise, then (i) upon sale of such shares, any amount realized in excess of the exercise price (the amount paid for the shares) will be taxed to the optionee as a long-term capital gain, and any loss sustained will be a long-term capital loss, and (ii) the Bank will not be entitled to any deduction for federal income tax purposes. The exercise of an incentive stock option will give rise to an item of tax preference that may result in alternative minimum tax liability for the optionee.

If shares of voting common stock acquired upon the exercise of an incentive stock option are disposed of prior to the expiration of the two-year and one-year holding periods described above (a “disqualifying disposition”), generally (i) the optionee will realize ordinary income in the year of disposition in an amount equal to the excess (if any) of the fair market value of the shares of voting common stock at exercise (or, if less, the amount realized on a sale of such shares of voting common stock) over the exercise price thereof, and (ii) we will be entitled to deduct such amount. Special rules will apply where all or a portion of the exercise price of the incentive stock option is paid by tendering shares of voting common stock.

If an incentive stock option is exercised at a time when it no longer qualifies for the tax treatment described above, the option is treated as a non-qualified option. Generally, an incentive stock option will not be eligible for the tax treatment described above if it is exercised more than three months following termination of employment (or one year in the case of termination of employment by reason of disability). In the case of termination of employment by reason of death, the three-month rule does not apply.

*Non-Qualified Options.* No income is realized by the optionee at the time a non-qualified option is granted. Generally (i) at exercise, ordinary income is realized by the optionee in an amount equal to the difference between the exercise price and the fair market value of the shares of voting common stock on the date of exercise, and we receive a tax deduction for the same amount, and (ii) at disposition, appreciation or depreciation after the date of exercise is treated as either short-term or long-term capital gain or loss depending on how long the shares of voting common stock have been held. Special rules will apply where all or a portion of the exercise price of the non-qualified option is paid by tendering shares of voting common stock. Upon exercise, the optionee will also be subject to Social Security taxes on the excess of the fair market value over the exercise price of the option.

*Other Awards.* The Bank generally will be entitled to a tax deduction in connection with other awards under the Plan in an amount equal to the ordinary income realized by the participant at the time the participant recognizes such income. Participants typically are subject to income tax and recognize such tax at the time that an award is exercised, vests or becomes non-forfeitable, unless the award provides for a further deferral.

*Parachute Payments.* The vesting of any portion of an award that is accelerated due to the occurrence of a change in control (such as a sale event) may cause a portion of the payments with respect to such accelerated awards to be treated as “parachute payments” as defined in the Code. Any such parachute payments may be non-deductible to the Bank, in whole or in part, and may subject the recipient to a non-deductible 20% federal excise tax on all or a portion of such payment (in addition to other taxes ordinarily payable).

*Limitation on Deductions.* Under Section 162(m) of the Code, the Bank’s deduction for awards under the Plan may be limited to the extent that any “covered employee” (as defined in Section 162(m) of the Code) receives compensation in excess of \$1 million per year.

## EQUITY PLAN COMPENSATION INFORMATION

The following table provides information as of June 30, 2020 regarding shares of voting common stock that may be issued under the Bank’s equity compensation plans, consisting of 2010 Plan.

Plan category	<b>Equity Compensation Plan Information</b>		
	Number of securities to be issued upon exercise of outstanding options, warrants and rights	Weighted average exercise price of outstanding options	Number of securities remaining available for future issuance under equity compensation plan (excluding securities referenced in column (a))
	(a)	(b)	(c)
Equity compensation approved by security holders:	409,961	\$ 12.65	6,424
Equity compensation plans not approved by security holders:	N/A	N/A	N/A
<b>Total</b>	<b>409,961</b>	<b>\$ 12.65</b>	<b>6,424</b>

The following table provides information as of December 31, 2020 regarding shares of voting common stock that may be issued under the Bank's equity compensation plans, consisting of 2010 Plan.

Plan category	Equity Compensation Plan Information		
	Number of securities to be issued upon exercise of outstanding options, warrants and rights	Weighted average exercise price of outstanding options	Number of securities remaining available for future issuance under equity compensation plan (excluding securities referenced in column (a))
	(a)	(b)	(c)
Equity compensation approved by security holders:	118,342	\$ 9.49	6,424
Equity compensation plans not approved by security holders:	N/A	N/A	N/A
<b>Total</b>	<b>118,342</b>	<b>\$ 9.49</b>	<b>6,424</b>

### Vote Required

The affirmative vote of a majority of the shares of voting common stock present in person or represented by proxy at the meeting and entitled to vote on this proposal is required for the approval of this proposal. Abstentions shall be included in determining the number of shares present and entitled to vote on the proposal, thus having the effect of a vote against the proposal. Broker non-votes, if any, are not counted in determining the number of shares present and entitled to vote and will therefore have no effect on the outcome.

### Recommendation

**The Board of Directors unanimously recommends a vote *FOR* this proposal. Properly authorized proxies solicited by the Board will be voted *FOR* this proposal unless instructions to the contrary are given.**



**PROPOSAL 2**  
**APPROVAL OF THE ADJOURNMENT OF THE SPECIAL MEETING**

If there are not sufficient votes to constitute a quorum or to approve the Northeast Bank 2021 Stock Option and Incentive Plan at the time of the special meeting, the proposal may not be approved unless the special meeting is adjourned to a later date or dates in order to permit further solicitation of proxies. In order to allow proxies that have been received by the Bank at the time of the special meeting to be voted for an adjournment, if necessary, the Bank is submitting the question of adjournment to its shareholders as a separate matter for their consideration. The Board recommends that shareholders vote “FOR” the adjournment proposal. If it is necessary to adjourn the special meeting, no notice of the adjourned special meeting is required to be given to shareholders (unless a new record date is fixed), other than an announcement at the special meeting before adjournment of the date, time and place to which the special meeting is adjourned.

**Recommendation**

**The Board of Directors unanimously recommends a vote *FOR* this proposal. Properly authorized proxies solicited by the Board will be voted *FOR* this proposal unless instructions to the contrary are given.**

## EXECUTIVE COMPENSATION

### Introduction

This section describes the Bank's executive compensation philosophy, programs and policies for fiscal 2020, and sets forth how the Compensation Committee of the Board determined fiscal 2020 compensation for the following named executive officers of the Bank:

- Richard Wayne, President and Chief Executive Officer;
- Patrick Dignan, Executive Vice President; and
- Brian Pinheiro, Chief Risk Officer.

### Compensation Philosophy and Objectives

We seek to attract and retain talented and committed employees and executives. Our compensation program is intended to meet the following objectives:

- Attract, develop, retain and motivate talented leadership to achieve the Bank's strategic objectives;
- Align management's interests with those of the shareholders through the use of equity plans approved by the Board and shareholders; and
- Reward high performance, promote accountability and adherence to the Bank's values and its Code of Ethics.

### Role of Compensation Committee, Outside Advisors and Management in Compensation Decisions

The Bank has operated under the same compensation philosophy since fiscal 2011. The Bank has not made any major changes to the Bank's executive compensation program since that time, although the Compensation Committee monitors its pay program through regular market-based studies performed by our independent compensation consultant. Our executive compensation programs are designed to attract, motivate and retain a talented leadership team committed to driving superior results that deliver long-term shareholder value. Our incentive programs are designed to promote pay for performance and reward executives for performance that is aligned with our objectives, which ultimately creates long-term shareholder value. Annually, we review our pay programs to ensure that our compensation program aligns with our performance and business strategy while maintaining good corporate governance practices.

The Compensation Committee, pursuant to its charter, provides management and the Board with guidance on matters of executive and director compensation and related benefits. The CEO is not present when the Compensation Committee discusses CEO performance and specific actions related to CEO compensation. The Compensation Committee determines, after discussion with the Board, the compensation of the Bank's CEO, and determines all compensation actions for the Bank's other executive officers after reviewing the recommendations of the CEO. The Compensation Committee relies on management and outside advisers for technical guidance in conducting its affairs. It retains full authority to engage independent third-party advisers, including PricewaterhouseCoopers LLP, to conduct independent studies and provide objective advice on executive and director compensation. PricewaterhouseCoopers LLP's primary role with the Bank has been as an independent adviser to the Compensation Committee on executive compensation matters. The Bank also retains Goodwin Procter LLP for legal and advisory services on executive compensation matters, including the drafting of compensation plan documents. The Bank may use other firms from time to time in the normal course of business.

## SUMMARY COMPENSATION TABLE

The following table sets forth information concerning the compensation paid to or earned by the Bank's named executive officers.

Name and Principal Position	Fiscal Year	Salary	Stock Awards(1)	Bonus	All Other Compensation(2)	Total
<b>Richard Wayne</b>	2020	\$ 600,000	\$ —	\$ 800,000	\$ 15,523	\$ 1,415,523
President & Chief Executive Officer	2019	600,000	672,000	525,000	15,316	1,812,316
<b>Patrick Dignan</b>	2020	400,000	328,200	600,000	16,532	1,344,732
Executive Vice President	2019	400,000	448,000	400,000	18,537	1,266,537
<b>Brian Pinheiro</b>	2020	257,500	—	200,000	8,207	465,707
Chief Risk Officer	2019	250,000	123,200	125,000	7,967	506,167

- (1) The amounts in this column reflect the grant date fair value of equity awards, including modifications, determined in accordance with FASB ASC Topic 718 granted under the Bank's Amended and Restated 2010 Stock Option and Incentive Plan. Information about the assumptions used to value these awards can be found in Part II, Item 8, "Financial Statements and Supplementary Data—Note 13: Stock-Based Compensation" of the Bank's 2020 Annual Report on Form 10-K.
- (2) These amounts for fiscal 2020 include payments as follows: (i) term life insurance premiums: \$6,858 for Mr. Wayne, \$2,322 for Mr. Dignan and \$486 for Mr. Pinheiro; (ii) matching 401k contributions: \$8,665 for Mr. Wayne, \$8,400 for Mr. Dignan and \$7,721 for Mr. Pinheiro; and (iii) parking: \$5,810 for Mr. Dignan.

These amounts for fiscal 2019 include payments as follows: (i) term life insurance premiums: \$6,858 for Mr. Wayne, \$2,322 for Mr. Dignan and \$474 for Mr. Pinheiro; (ii) matching 401k contributions: \$8,458 for Mr. Wayne, \$8,250 for Mr. Dignan and \$7,493 for Mr. Pinheiro; (iii) parking: \$4,800 for Mr. Dignan; and (iv) reimbursed life insurance premiums of \$3,165 for Mr. Dignan.

### Narrative to Summary Compensation Table

#### *Base Salary*

The Compensation Committee reviews the base salaries of its named executive officers each year. Salary increases, if any, are generally based on the executive's performance within specific areas of accountability, external market competitiveness and internal budget considerations. The base salaries of our Named Executive Officers for fiscal 2020 and fiscal 2019 are as follows:

Named Executive Officer	Base Salary FY2020 (\$)	Base Salary FY2019 (\$)	Percent Increase
Richard Wayne	600,000	600,000	0%
Patrick Dignan	400,000	400,000	0%
Brian Pinheiro	257,500	250,000	3.0%

#### *Discretionary Performance Bonuses*

We have not historically implemented a formal bonus program for our named executive officers. Rather, the Compensation Committee awards discretionary bonuses after the completion of a fiscal year, based upon its evaluation of the Bank's performance and individual contributions. In making its decisions with respect to named executive officers other than Mr. Wayne, the Compensation Committee relies upon the recommendations of Mr. Wayne. In determining the bonus payouts for fiscal 2020, the Compensation Committee highlighted several factors, including the Bank's return on average equity, return on average assets, and increase in tangible net book value, and specifically determined that a higher payout than in prior years was appropriate in light of the Bank's success with the Paycheck Protection Program. For fiscal 2020, the Compensation Committee determined to award the following cash bonus amounts with respect to fiscal 2020 performance:

Named Executive Officer	FY2020 Bonus (\$)
Richard Wayne	800,000
Patrick Dignan	600,000
Brian Pinheiro	200,000

### *Equity-Based Long-Term Incentives*

The Compensation Committee considers long-term equity-based compensation to be an integral part of the Bank's compensation program. In making equity awards, the Compensation Committee considered the benefit to the Bank of having a significant portion of the executives' compensation tied to the long-term financial performance of the Bank, and thereby to shareholder value. The Compensation Committee also considered the experience and qualifications of the executives, their ability to execute the Bank's business plan, the retention value of long-term equity incentives and peer compensation data.

In fiscal 2019, Messrs. Wayne and Dignan were granted 15,000 and 10,000 restricted shares, respectively, that are performance-based (the "2018 Performance Shares"). The 2018 Performance Shares were subject to performance-based vesting over a three-year performance period (the "performance period"). The 2018 Performance Shares include an absolute metric and a sliding metric within the performance period. The absolute metric required that in order for Messrs. Wayne and Dignan to be eligible to vest in the 2018 Performance Shares in any given year within the performance period, the Bank must be in full compliance at all times with the regulatory commitments made to the Federal Reserve and the Maine Bureau of Financial Institutions in 2010, and the Bank is not subject to any written agreement, Board resolution, memorandum of understanding or consent with any regulatory agency, and as of the vesting date, the Bank had no regulatory commitments to the Federal Reserve or the Maine Bureau of Financial Institutions. Once it was determined that the absolute metric was met, Messrs. Wayne and Dignan vested in the 2018 Performance Shares based on reaching certain thresholds in regard to the Bank's return on equity ("ROE"). The ROE targets and vesting schedule were as follows:

#### **Richard Wayne**

	ROE Target	Shares vested: <70% ROE Target	Shares vested: 70% - <80% ROE Target	Shares vested: 80% - <90% ROE Target	Shares vested: 90% - 100% ROE Target
FY19	14.00%	—	1,500	2,250	3,000
FY20	15.00%	—	1,500	2,250	3,000
FY21	16.00%	—	1,500	2,250	3,000
3 Year Cumulative	15.00%	—	3,000	4,500	6,000

#### **Patrick Dignan**

	ROE Target	Shares vested: <70% ROE Target	Shares vested: 70% - <80% ROE Target	Shares vested: 80% - <90% ROE Target	Shares vested: 90% - 100% ROE Target
FY19	14.00%	—	1,000	1,500	2,000
FY20	15.00%	—	1,000	1,500	2,000
FY21	16.00%	—	1,000	1,500	2,000
3 Year Cumulative	15.00%	—	2,000	3,000	4,000

The Bank achieved an operating ROE of 13.74%, excluding the effects of the corporate reorganization, in fiscal 2019 and an ROE of 14.21% in fiscal 2020. As a result, Mr. Wayne has vested an aggregate of 6,000 of the 2018 Performance Shares and Mr. Dignan has vested an aggregate of 4,000 of the 2018 Performance Shares.

Additionally, in October 2019, Mr. Dignan was granted 15,000 restricted shares, which vest in three equal annual installments, commencing on October 25, 2022.

The restricted share awards granted to each of our named executive officers vest immediately upon the termination of the executive's employment due to death or disability. In addition, upon a change in control of the Bank, (i) in the case of a change in control in which such awards are assumed or continued by the successor entity, any unvested time-based restricted shares will vest in full if the executive's employment is terminated without cause on or following such change in control and (ii) in the case of a change in control in which such awards are not

assumed or continued by the successor entity, any unvested time-based restricted shares will vest in full. In addition, upon a change in control of the Bank, any unvested 2018 Performance Shares will convert to time-based restricted shares that will vest in full at the end of each performance period, subject to the named executive officer's continued employment through the last day of such performance period. If an acquirer does not assume, continue or substitute the performance shares, or the named executive officer's employment is terminated without cause or he resigns for good reason following a change in control, the performance shares will vest in full upon the change in control, termination or resignation, as applicable.

#### *Executive Benefits*

All named executive officers are eligible for Bank-sponsored benefit programs available broadly to Bank employees, including healthcare and dental benefits, disability insurance and life insurance. The Bank also maintains a traditional 401(k) plan pursuant to which the Bank matches half of an employee's contribution, up to 6% of the employee's salary.

#### *Employment Agreement*

On December 29, 2010, the Bank entered into an employment agreement with Mr. Wayne with an initial term of three years. Upon expiration of the initial term, the employment agreement will be renewed for successive terms of one year, unless either party gives written notice not less than 90 days prior to the date of any such anniversary of the election not to extend the term.

Pursuant to the employment agreement, Mr. Wayne is entitled to receive an annual base salary, which may be increased from time to time in accordance with normal business practices and in the sole discretion of the Bank. Mr. Wayne is also eligible to participate in the Bank's non-equity incentive compensation and equity-based long-term incentive plans as determined by the Bank's Compensation Committee and in any benefit programs that the Bank establishes and makes available to its employees.

The employment agreement contains restrictive covenants, including non-competition and non-solicitation covenants that survive for 24 months following the termination of employment.

The employment agreement describes the payments and benefits to which Mr. Wayne would be entitled upon termination of his employment under certain circumstances. Specifically, if (i) Mr. Wayne's employment is terminated either by the Bank without cause or by such executive for good reason or if the Bank makes an election not to extend the term of any such employment agreement, and (ii) Mr. Wayne executes a release of claims prepared by the Bank, the non-competition restrictions in the applicable employment agreement will terminate unless the Bank (in the sole discretion of the Board) pays such executive an amount equal to the base salary such executive would have received for the duration of the restricted period.

## Outstanding Equity Awards at June 30, 2020

The following table shows the outstanding equity awards held by the Bank's named executive officers as of June 30, 2020:

Name	Option Awards					Stock Awards				
	Number of Securities Underlying Unexercised Options (#) Exercisable	Number of Securities Underlying Unexercised Options (#) Unexercisable	Equity Incentive Plan Awards: Number of Securities Underlying Unexercised Options (#)	Option Exercise Price (\$)	Option Expiration Date	Time-Based Awards: Number of Shares or Units of Stock That Have Not Vested (#)	Time-Based Awards: Market Value of Shares or Units of Stock That Have Not Vested (\$)(4)	Equity Incentive Plan Awards: Number of Shares, Units or Other Rights That Have Not Vested (#)	Equity Incentive Plan Awards: Market or Payout Value of Unearned Shares, Units or Other Rights That Have Not Vested (\$)(4)	
Richard Wayne	118,808	—	—	\$13.93	12/29/2020	—	\$ —	—	\$ —	
	118,808	—	—	13.93	12/29/2020	—	—	—	—	
	49,589	—	—	9.38	1/31/2023	—	—	—	—	
	—	—	—	—	—	15,000 (1)	263,250	12,000 (5)	210,600	
Patrick Dignan	21,601	—	—	13.93	12/29/2020	—	—	—	—	
	33,059	—	—	9.38	1/31/2023	—	—	—	—	
	—	—	—	—	—	48,333 (2)	848,244	8,000 (6)	140,400	
Brian Pinheiro	—	—	—	—	—	10,499 (3)	184,257	—	—	

- (1) 15,000 shares of restricted stock vest in three remaining installments, commencing on August 14, 2021.
- (2) 6,666 shares of restricted stock vest in one remaining installment on September 21, 2020; 16,667 shares of restricted stock vest in three equal installments, which commenced on August 25, 2019; 10,000 shares of restricted stock vest in three equal installments, commencing on August 14, 2021; and 15,000 shares of restricted stock vest in three equal installments, commencing on October 25, 2022.
- (3) 1,666 shares of restricted stock vest in one remaining installment on September 21, 2020; 3,333 shares of restricted stock vest in two remaining installments, which commenced on August 25, 2019; and 5,500 shares of restricted stock vest in three equal installments, commencing on August 14, 2021.
- (4) Market value is based on the closing price of the Bank's voting common stock on June 30, 2020 of \$17.55 per share.
- (5) In August 2018, Mr. Wayne was granted 15,000 performance shares, subject to performance-based vesting over a three-year performance period, which are described previously in the section titled "Equity-Based Long-Term Incentives." Following fiscal 2020, 3,000 shares of restricted stock vested upon satisfaction of the applicable performance-based criteria.
- (6) In August 2018, Mr. Dignan was granted 10,000 performance shares, subject to performance-based vesting over a three-year performance period, which are described previously in the section titled "Equity-Based Long-Term Incentives." Following fiscal 2020, 2,000 shares of restricted stock vested upon satisfaction of the applicable performance-based criteria.

## Director Compensation

In fiscal 2020, each director received \$12,500 per quarter. The Governance and Compensation Committee chairs received an additional \$1,250 quarterly and the Audit and Risk Committee chairs received an additional \$2,500 quarterly. The chairman of the Board of Directors received an additional \$5,000 per quarter. Management directors do not receive compensation for services rendered as directors.

The following table sets forth a summary of the compensation earned by or paid to our non-employee directors for fiscal 2020:

Name	Fees Earned or Paid in Cash
Robert Glauber(1)	\$ 75,000
Matthew Botein	55,000
Cheryl Dorsey	50,000
John Orestis	60,000
David Tanner	50,000
Judith Wallingford	60,000

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(1) As of June 30, 2020, Mr. Glauber held an option to purchase 21,601 shares of voting common stock, which was exercised on November 5, 2020. Mr. Glauber passed away on February 14, 2021.

## **OTHER MATTERS**

As of the date of this proxy statement, the Board knows of no matters that will be presented for consideration at the special meeting other than as described in this proxy statement. If any other matters properly come before the special meeting, or any adjournments or postponements of that meeting, and are voted upon, the enclosed proxies will be deemed to confer discretionary authority on the individuals that they name as proxies to vote the shares represented by these proxies as to any of these matters. The individuals named as proxies intend to vote or not to vote in accordance with the recommendation of our management.

## **EXPENSES OF SOLICITATION**

The cost of solicitation of proxies will be borne by Northeast. We also may reimburse brokers, banks, nominees and other fiduciaries for postage and reasonable clerical expenses of forwarding the proxy material to their principals who are beneficial owners of shares of our voting common stock.

## **SHAREHOLDER PROPOSALS FOR 2021 ANNUAL MEETING**

Shareholder proposals intended to be presented at the next annual meeting of shareholders must be received by the Bank on or before June 4, 2021 in order to be considered for inclusion in our proxy statement and form of proxy for that meeting. These proposals must also comply with the rules of the SEC governing the form and content of proposals in order to be included in Northeast's proxy statement and form of proxy. Any such proposals should be mailed to: Corporate Clerk, Northeast Bank, 27 Pearl Street, Portland, Maine 04101.

A shareholder of record who wishes to present a proposal at the next annual meeting, other than a proposal to be considered for inclusion in Northeast's proxy statement described above, must provide written notice of such proposal and appropriate supporting documentation, as set forth in Northeast's bylaws, to Northeast at its principal executive office no earlier than July 16, 2021 nor later than August 16, 2021; provided, however, that in the event the annual meeting is scheduled to be held on a date more than 30 days before the first anniversary of the date of the preceding year's annual meeting (the "Anniversary Date") or more than 60 days after the Anniversary Date, timely notice by the shareholder must be delivered not earlier than the close of business on the later of (a) the 90th day prior to the scheduled date of such annual meeting or (b) the 10th day following the first date on which the date of such annual meeting is publicly disclosed. Proxies solicited by the Board will confer discretionary voting authority with respect to these proposals, subject to SEC rules governing the exercise of this authority. Any such proposal should be mailed to: Corporate Clerk, Northeast Bank, 27 Pearl Street, Portland, Maine 04101.

## **WHERE YOU CAN FIND MORE INFORMATION**

The Bank makes available on or through its Investor Relations page, without charge, its proxy statements, its annual reports on Form 10-K, quarterly reports on Form 10-Q, and current reports on Form 8-K and amendments to those reports filed with, or furnished to, the FDIC as soon as reasonably practicable after such reports have been filed or furnished to the FDIC. The Bank's reports filed with, or furnished to, the FDIC are also available at the FDIC's website at [www.FDIC.gov](http://www.FDIC.gov).



## NORTHEAST BANK

### 2021 STOCK OPTION AND INCENTIVE PLAN

#### SECTION 1. GENERAL PURPOSE OF THE PLAN; DEFINITIONS

The name of the plan is the Northeast Bank 2021 Stock Option and Incentive Plan (the “Plan”). The purpose of the Plan is to encourage and enable the officers, employees and Non-Employee Directors of Northeast Bank (the “Bank”) and its Affiliates upon whose judgment, initiative and efforts the Bank largely depends for the successful conduct of its business to acquire a proprietary interest in the Bank. It is anticipated that providing such persons with a direct stake in the Bank’s welfare will assure a closer identification of their interests with those of the Bank and its shareholders, thereby stimulating their efforts on the Bank’s behalf and strengthening their desire to remain with the Bank.

The following terms shall be defined as set forth below:

“*Act*” means the Securities Act of 1933, as amended, and the rules and regulations thereunder.

“*Administrator*” means either the Board or the compensation committee of the Board or a similar committee performing the functions of the compensation committee and which is comprised of not less than two Non-Employee Directors who are independent.

“*Affiliate*” means, at the time of determination, any “parent” or “subsidiary” of the Bank as such terms are defined in Rule 405 of the Act. The Board will have the authority to determine the time or times at which “parent” or “subsidiary” status is determined within the foregoing definition.

“*Award*” or “*Awards*,” except where referring to a particular category of grant under the Plan, shall include Incentive Stock Options, Non-Qualified Stock Options, Stock Appreciation Rights, Restricted Stock Units, Restricted Stock Awards, Unrestricted Stock Awards, Cash-Based Awards, and Dividend Equivalent Rights.

“*Award Certificate*” means a written or electronic document setting forth the terms and provisions applicable to an Award granted under the Plan. Each Award Certificate is subject to the terms and conditions of the Plan.

“*Board*” means the Board of Directors of the Bank.

“*Cash-Based Award*” means an Award entitling the recipient to receive a cash-denominated payment.

“*Code*” means the Internal Revenue Code of 1986, as amended, and any successor Code, and related rules, regulations and interpretations.

*“Dividend Equivalent Right”* means an Award entitling the grantee to receive credits based on cash dividends that would have been paid on the shares of Stock specified in the Dividend Equivalent Right (or other award to which it relates) if such shares had been issued to and held by the grantee.

*“Effective Date”* means the date on which the Plan becomes effective as set forth in Section 19.

*“Exchange Act”* means the Securities Exchange Act of 1934, as amended, and the rules and regulations thereunder.

*“Fair Market Value”* of the Stock on any given date means the fair market value of the Stock determined in good faith by the Administrator; provided, however, that if the Stock is listed on the National Association of Securities Dealers Automated Quotation System (“NASDAQ”), NASDAQ Global Market, The New York Stock Exchange or another national securities exchange or traded on any established market, the determination shall be made by reference to market quotations. If there are no market quotations for such date, the determination shall be made by reference to the last date preceding such date for which there are market quotations.

*“Incentive Stock Option”* means any Stock Option designated and qualified as an “incentive stock option” as defined in Section 422 of the Code.

*“Minimum Vesting Period”* means the one-year period following the date of grant of an Award.

*“Non-Employee Director”* means a member of the Board who is not also an employee of the Bank or any Subsidiary.

*“Non-Qualified Stock Option”* means any Stock Option that is not an Incentive Stock Option.

*“Option”* or *“Stock Option”* means any option to purchase shares of Stock granted pursuant to Section 5.

*“Restricted Shares”* means the shares of Stock underlying a Restricted Stock Award that remain subject to a risk of forfeiture or the Bank’s right of repurchase.

*“Restricted Stock Award”* means an Award of Restricted Shares subject to such restrictions and conditions as the Administrator may determine at the time of grant.

*“Restricted Stock Units”* means an Award of stock units subject to such restrictions and conditions as the Administrator may determine at the time of grant.

*“Sale Event”* shall mean (i) the sale of all or substantially all of the assets of the Bank on a consolidated basis to an unrelated person or entity, (ii) a merger, reorganization or consolidation pursuant to which the holders of the Bank’s outstanding voting power and outstanding stock immediately prior to such transaction do not own a majority of the outstanding

voting power and outstanding stock or other equity interests of the resulting or successor entity (or its ultimate parent, if applicable) immediately upon completion of such transaction, (iii) the sale of all of the Stock of the Bank to an unrelated person, entity or group thereof acting in concert, or (iv) any other transaction in which the owners of the Bank's outstanding voting power immediately prior to such transaction do not own at least a majority of the outstanding voting power of the Bank or any successor entity immediately upon completion of the transaction other than as a result of the acquisition of securities directly from the Bank.

“*Sale Price*” means the value as determined by the Administrator of the consideration payable, or otherwise to be received by shareholders, per share of Stock pursuant to a Sale Event.

“*Section 409A*” means Section 409A of the Code and the regulations and other guidance promulgated thereunder.

“*Service Relationship*” means any relationship as an employee, director or others service provider of the Bank or any Affiliate.

“*Stock*” means the Voting Common Stock, par value \$1.00 per share, of the Bank, subject to adjustments pursuant to Section 3.

“*Stock Appreciation Right*” means an Award entitling the recipient to receive shares of Stock (or cash, to the extent explicitly provided for in the applicable Award Certificate) having a value equal to the excess of the Fair Market Value of the Stock on the date of exercise over the exercise price of the Stock Appreciation Right multiplied by the number of shares of Stock with respect to which the Stock Appreciation Right shall have been exercised.

“*Subsidiary*” means any corporation or other entity (other than the Bank) in which the Bank has at least a 50 percent interest, either directly or indirectly.

“*Ten Percent Owner*” means an employee who owns or is deemed to own (by reason of the attribution rules of Section 424(d) of the Code) more than 10 percent of the combined voting power of all classes of stock of the Bank or any parent or subsidiary corporation.

“*Unrestricted Stock Award*” means an Award of shares of Stock free of any restrictions.

## SECTION 2. ADMINISTRATION OF PLAN; ADMINISTRATOR AUTHORITY TO SELECT GRANTEES AND DETERMINE AWARDS

- (a) Administration of Plan. The Plan shall be administered by the Administrator.
- (b) Powers of Administrator. The Administrator shall have the power and authority to grant Awards consistent with the terms of the Plan, including the power and authority:
  - (i) to select the individuals to whom Awards may from time to time be granted;
  - (ii) to determine the time or times of grant, and the extent, if any, of Incentive Stock Options, Non-Qualified Stock Options, Stock Appreciation Rights, Restricted Stock

Awards, Restricted Stock Units, Unrestricted Stock Awards, Cash-Based Awards, and Dividend Equivalent Rights, or any combination of the foregoing, granted to any one or more grantees;

- (iii) to determine the number of shares of Stock to be covered by any Award;
- (iv) to determine and modify from time to time the terms and conditions, including restrictions, not inconsistent with the terms of the Plan, of any Award, which terms and conditions may differ among individual Awards and grantees, and to approve the forms of Award Certificates;
- (v) to accelerate at any time the exercisability or vesting of all or any portion of any Award;
- (vi) subject to the provisions of Section 5(c), to extend at any time the period in which Stock Options may be exercised; and
- (vii) at any time to adopt, alter and repeal such rules, guidelines and practices for administration of the Plan and for its own acts and proceedings as it shall deem advisable; to interpret the terms and provisions of the Plan and any Award (including related written instruments); to make all determinations it deems advisable for the administration of the Plan; to decide all disputes arising in connection with the Plan; and to otherwise supervise the administration of the Plan.

All decisions and interpretations of the Administrator shall be binding on all persons, including the Bank and Plan grantees.

(c) Delegation of Authority to Grant Awards. Subject to applicable law, the Administrator, in its discretion, may delegate to the Chief Executive Officer of the Bank all or part of the Administrator's authority and duties with respect to the granting of Awards to individuals who are (i) not subject to the reporting and other provisions of Section 16 of the Exchange Act and (ii) not members of the delegated committee. Any such delegation by the Administrator shall include a limitation as to the amount of Stock underlying Awards that may be granted during the period of the delegation and shall contain guidelines as to the determination of the exercise price and the vesting criteria. The Administrator may revoke or amend the terms of a delegation at any time but such action shall not invalidate any prior actions of the Administrator's delegate or delegates that were consistent with the terms of the Plan.

(d) Award Certificate. Awards under the Plan shall be evidenced by Award Certificates that set forth the terms, conditions and limitations for each Award which may include, without limitation, the term of an Award and the provisions applicable in the event employment or service terminates.

(e) Indemnification. Neither the Board nor the Administrator, nor any member of either or any delegate thereof, shall be liable for any act, omission, interpretation, construction or determination made in good faith in connection with the Plan, and the members of the Board and the Administrator (and any delegate thereof) shall be entitled in all cases to indemnification and reimbursement by the Bank in respect of any claim, loss, damage or expense (including, without limitation, reasonable attorneys' fees) arising or resulting therefrom to the fullest extent

permitted by law and/or under the Bank's articles or bylaws or any directors' and officers' liability insurance coverage which may be in effect from time to time and/or any indemnification agreement between such individual and the Bank.

(f) Foreign Award Recipients. Notwithstanding any provision of the Plan to the contrary, in order to comply with the laws in other countries in which the Bank and its Subsidiaries operate or have employees or other individuals eligible for Awards, the Administrator, in its sole discretion, shall have the power and authority to: (i) determine which Subsidiaries shall be covered by the Plan; (ii) determine which individuals outside the United States are eligible to participate in the Plan; (iii) modify the terms and conditions of any Award granted to individuals outside the United States to comply with applicable foreign laws; (iv) establish subplans and modify exercise procedures and other terms and procedures, to the extent the Administrator determines such actions to be necessary or advisable (and such subplans and/or modifications shall be attached to this Plan as appendices); provided, however, that no such subplans and/or modifications shall increase the share limitations contained in Section 3(a) hereof; and (v) take any action, before or after an Award is made, that the Administrator determines to be necessary or advisable to obtain approval or comply with any local governmental regulatory exemptions or approvals. Notwithstanding the foregoing, the Administrator may not take any actions hereunder, and no Awards shall be granted, that would violate the Exchange Act or any other applicable United States securities law, the Code, or any other applicable United States governing statute or law.

(g) Minimum Vesting Period. The vesting period for each Award granted under the Plan must be at least equal to the Minimum Vesting Period; provided, however, nothing in this Section 2(g) shall limit the Administrator's authority to accelerate the vesting of Awards as set forth in Section 2(b)(v) above; and, provided further, notwithstanding the foregoing, up to 5% of the shares of Stock authorized for issuance under the Plan may be utilized for Unrestricted Stock Awards or other Awards with a vesting period that is less than the Minimum Vesting Period (each such Award, an "Excepted Award"). Notwithstanding the foregoing, in addition to Excepted Awards, the Administrator may grant Awards that vest (or permit previously granted Awards to vest) within the Minimum Vesting Period (i) if such Awards are granted as substitute Awards in replacement of other Awards (or awards previously granted by an entity being acquired (or assets of which are being acquired)) that were scheduled to vest within the Minimum Vesting Period, (ii) if such Awards are being granted in connection with an elective deferral of cash compensation that, absent a deferral election, otherwise would have been paid to the grantee within the Minimum Vesting Period or (iii) if such Awards are annual awards to non-employee directors that occur in connection with the Bank's annual meeting of stockholders may vest on the date of the Bank's next annual meeting of shareholders.

### SECTION 3. STOCK ISSUABLE UNDER THE PLAN; MERGERS; SUBSTITUTION

(a) Stock Issuable. The maximum number of shares of Stock reserved and available for issuance under the Plan shall be 550,000 shares, subject to adjustment as provided in this Section 3. For purposes of this limitation, the shares of Stock underlying any awards under the Plan and under the Bank's Amended and Restated 2010 Stock Option and Incentive Plan that are forfeited, canceled or otherwise terminated (other than by exercise) shall be added back to the shares of Stock available for issuance under the Plan and, to the extent permitted under Section

422 of the Code and the regulations promulgated thereunder, the shares of Stock that may be issued as Incentive Stock Options. Notwithstanding the foregoing, the following shares shall not be added to the shares authorized for grant under the Plan: (i) shares tendered or held back upon exercise of an Option or settlement of an Award to cover the exercise price or tax withholding, and (ii) shares subject to a Stock Appreciation Right that are not issued in connection with the stock settlement of the Stock Appreciation Right upon exercise thereof. In the event the Bank repurchases shares of Stock on the open market, such shares shall not be added to the shares of Stock available for issuance under the Plan. Subject to such overall limitations, shares of Stock may be issued up to such maximum number pursuant to any type or types of Award; provided, however, that no more than 550,000 shares of Stock may be issued in the form of Incentive Stock Options. The shares available for issuance under the Plan may be authorized but unissued shares of Stock or shares of Stock reacquired by the Bank.

(b) Changes in Stock. Subject to Section 3(c) hereof, if, as a result of any reorganization, recapitalization, reclassification, stock dividend, stock split, reverse stock split or other similar change in the Bank's capital stock, the outstanding shares of Stock are increased or decreased or are exchanged for a different number or kind of shares or other securities of the Bank, or additional shares or new or different shares or other securities of the Bank or other non-cash assets are distributed with respect to such shares of Stock or other securities, or, if, as a result of any merger or consolidation, sale of all or substantially all of the assets of the Bank, the outstanding shares of Stock are converted into or exchanged for securities of the Bank or any successor entity (or a parent or subsidiary thereof), the Administrator shall make an appropriate or proportionate adjustment in (i) the maximum number of shares reserved for issuance under the Plan, including the maximum number of shares that may be issued in the form of Incentive Stock Options, (ii) the number and kind of shares or other securities subject to any then outstanding Awards under the Plan, (iii) the repurchase price, if any, per share subject to each outstanding Restricted Stock Award, and (iv) the exercise price for each share subject to any then outstanding Stock Options and Stock Appreciation Rights under the Plan, without changing the aggregate exercise price (i.e., the exercise price multiplied by the number of shares subject to Stock Options and Stock Appreciation Rights) as to which such Stock Options and Stock Appreciation Rights remain exercisable. The Administrator shall also make equitable or proportionate adjustments in the number of shares subject to outstanding Awards and the exercise price and the terms of outstanding Awards to take into consideration cash dividends paid other than in the ordinary course or any other extraordinary corporate event. The adjustment by the Administrator shall be final, binding and conclusive. No fractional shares of Stock shall be issued under the Plan resulting from any such adjustment, but the Administrator in its discretion may make a cash payment in lieu of fractional shares.

(c) Mergers and Other Transactions. In the case of and subject to the consummation of a Sale Event, the parties thereto may cause the assumption or continuation of Awards theretofore granted by the successor entity, or the substitution of such Awards with new Awards of the successor entity or parent thereof, with appropriate adjustment as to the number and kind of shares and, if appropriate, the per share exercise prices, as such parties shall agree. To the extent the parties to such Sale Event do not provide for the assumption, continuation or substitution of Awards, upon the effective time of the Sale Event, the Plan and all outstanding Awards granted hereunder shall terminate. In such case, except as may be otherwise provided in the relevant Award Certificate, all Options and Stock Appreciation Rights with time-based

vesting conditions or restrictions that are not vested and/or exercisable immediately prior to the effective time of the Sale Event shall become fully vested and exercisable as of the effective time of the Sale Event, all other Awards with time-based vesting, conditions or restrictions shall become fully vested and nonforfeitable as of the effective time of the Sale Event, and all Awards with conditions and restrictions relating to the attainment of performance goals shall become earned and vested and the performance-based criteria shall be deemed achieved or fulfilled at the greater of (x) the actual performance achieved or (y) the target level of performance applicable to the Award, but prorated based on the elapsed proportion of the performance period as of the Sale Event. In the event of such termination, (i) the Bank shall have the option (in its sole discretion) to make or provide for a payment, in cash or in kind, to the grantees holding Options and Stock Appreciation Rights, in exchange for the cancellation thereof, in an amount equal to the difference between (A) the Sale Price multiplied by the number of shares of Stock subject to outstanding Options and Stock Appreciation Rights (to the extent then exercisable at prices not in excess of the Sale Price) and (B) the aggregate exercise price of all such outstanding Options and Stock Appreciation Rights (provided that, in the case of an Option or Stock Appreciation Right with an exercise price equal to or greater than the Sale Price, such Option or Stock Appreciation Right shall be cancelled for no consideration); or (ii) each grantee shall be permitted, within a specified period of time prior to the consummation of the Sale Event as determined by the Administrator, to exercise all outstanding Options and Stock Appreciation Rights (to the extent then exercisable) held by such grantee. The Bank shall also have the option (in its sole discretion) to make or provide for a payment, in cash or in kind, to the grantees holding other Awards in an amount equal to the Sale Price multiplied by the number of vested shares of Stock under such Awards.

#### SECTION 4. ELIGIBILITY

Grantees under the Plan will be such employees or Non-Employee Directors of the Bank and its Affiliates as are selected from time to time by the Administrator in its sole discretion; provided that Awards may not be granted to employees or Non-Employee Directors who are providing services only to any “parent” of the Bank, as such term is defined in Rule 405 of the Act, unless (i) the stock underlying the Awards is treated as “service recipient stock” under Section 409A or (ii) the Bank has determined that such Awards are exempt from or otherwise comply with Section 409A.

#### SECTION 5. STOCK OPTIONS

(a) Award of Stock Options. The Administrator may grant Stock Options under the Plan. Any Stock Option granted under the Plan shall be in such form as the Administrator may from time to time approve.

Stock Options granted under the Plan may be either Incentive Stock Options or Non-Qualified Stock Options. Incentive Stock Options may be granted only to employees of the Bank or any Subsidiary that is a “subsidiary corporation” within the meaning of Section 424(f) of the Code. To the extent that any Option does not qualify as an Incentive Stock Option, it shall be deemed a Non-Qualified Stock Option.

Stock Options granted pursuant to this Section 5 shall be subject to the following terms and conditions and shall contain such additional terms and conditions, not inconsistent with the terms of the Plan, as the Administrator shall deem desirable. If the Administrator so determines, Stock Options may be granted in lieu of cash compensation at the optionee's election, subject to such terms and conditions as the Administrator may establish.

(b) Exercise Price. The exercise price per share for the Stock covered by a Stock Option granted pursuant to this Section 5 shall be determined by the Administrator at the time of grant but shall not be less than 100 percent of the Fair Market Value on the date of grant. In the case of an Incentive Stock Option that is granted to a Ten Percent Owner, the exercise price of such Incentive Stock Option shall be not less than 110 percent of the Fair Market Value on the grant date. Notwithstanding the foregoing, Stock Options may be granted with an exercise price per share that is less than 100 percent of the Fair Market Value on the date of grant (i) pursuant to a transaction described in, and in a manner consistent with, Section 424(a) of the Code, (ii) to individuals who are not subject to U.S. income tax on the date of grant or (iii) the Stock Option is otherwise compliant with Section 409A.

(c) Option Term. The term of each Stock Option shall be fixed by the Administrator, but no Stock Option shall be exercisable more than ten years after the date the Stock Option is granted. In the case of an Incentive Stock Option that is granted to a Ten Percent Owner, the term of such Stock Option shall be no more than five years from the date of grant.

(d) Exercisability; Rights of a Shareholder. Stock Options shall become exercisable at such time or times, whether or not in installments, as shall be determined by the Administrator at or after the grant date. The Administrator may at any time accelerate the exercisability of all or any portion of any Stock Option. An optionee shall have the rights of a shareholder only as to shares acquired upon the exercise of a Stock Option and not as to unexercised Stock Options.

(e) Method of Exercise. Stock Options may be exercised in whole or in part, by giving written or electronic notice of exercise to the Bank, specifying the number of shares to be purchased. Payment of the purchase price may be made by one or more of the following methods except to the extent otherwise provided in the Award Certificate:

(i) In cash, by certified or bank check or other instrument acceptable to the Administrator;

(ii) Through the delivery (or attestation to the ownership following such procedures as the Bank may prescribe) of shares of Stock that are not then subject to restrictions under any Bank plan. Such surrendered shares shall be valued at Fair Market Value on the exercise date;

(iii) By the optionee delivering to the Bank a properly executed exercise notice together with irrevocable instructions to a broker to promptly deliver to the Bank cash or a check payable and acceptable to the Bank for the purchase price; provided that in the event the optionee chooses to pay the purchase price as so provided, the optionee and the broker shall comply with such procedures and enter into such agreements of indemnity and other agreements as the Bank shall prescribe as a condition of such payment procedure; or



(iv) With respect to Stock Options that are not Incentive Stock Options, by a “net exercise” arrangement pursuant to which the Bank will reduce the number of shares of Stock issuable upon exercise by the largest whole number of shares with a Fair Market Value that does not exceed the aggregate exercise price.

Payment instruments will be received subject to collection. The transfer to the optionee on the records of the Bank or of the transfer agent of the shares of Stock to be purchased pursuant to the exercise of a Stock Option will be contingent upon receipt from the optionee (or a purchaser acting in his stead in accordance with the provisions of the Stock Option) by the Bank of the full purchase price for such shares and the fulfillment of any other requirements contained in the Award Certificate or applicable provisions of laws (including the satisfaction of any withholding taxes that the Bank is obligated to withhold with respect to the optionee). In the event an optionee chooses to pay the purchase price by previously-owned shares of Stock through the attestation method, the number of shares of Stock transferred to the optionee upon the exercise of the Stock Option shall be net of the number of attested shares. In the event that the Bank establishes, for itself or using the services of a third party, an automated system for the exercise of Stock Options, such as a system using an internet website or interactive voice response, then the paperless exercise of Stock Options may be permitted through the use of such an automated system.

(f) Annual Limit on Incentive Stock Options. To the extent required for “incentive stock option” treatment under Section 422 of the Code, the aggregate Fair Market Value (determined as of the time of grant) of the shares of Stock with respect to which Incentive Stock Options granted under this Plan and any other plan of the Bank or its parent and subsidiary corporations become exercisable for the first time by an optionee during any calendar year shall not exceed \$100,000. To the extent that any Stock Option exceeds this limit, it shall constitute a Non-Qualified Stock Option.

## SECTION 6. STOCK APPRECIATION RIGHTS

(a) Award of Stock Appreciation Rights. The Administrator may grant Stock Appreciation Rights under the Plan. A Stock Appreciation Right is an Award entitling the recipient to receive shares of Stock (or cash, to the extent explicitly provided for in the applicable Award Certificate) having a value equal to the excess of the Fair Market Value of a share of Stock on the date of exercise over the exercise price of the Stock Appreciation Right multiplied by the number of shares of Stock with respect to which the Stock Appreciation Right shall have been exercised.

(b) Exercise Price of Stock Appreciation Rights. The exercise price of a Stock Appreciation Right shall not be less than 100 percent of the Fair Market Value of the Stock on the date of grant.

(c) Grant and Exercise of Stock Appreciation Rights. Stock Appreciation Rights may be granted by the Administrator independently of any Stock Option granted pursuant to Section 5 of the Plan.

(d) Terms and Conditions of Stock Appreciation Rights. Stock Appreciation Rights shall be subject to such terms and conditions as shall be determined on the date of grant by the Administrator. The term of a Stock Appreciation Right may not exceed ten years. The terms and conditions of each such Award shall be determined by the Administrator, and such terms and conditions may differ among individual Awards and grantees.

## SECTION 7. RESTRICTED STOCK AWARDS

(a) Nature of Restricted Stock Awards. The Administrator may grant Restricted Stock Awards under the Plan. A Restricted Stock Award is any Award of Restricted Shares subject to such restrictions and conditions as the Administrator may determine at the time of grant. Conditions may be based on continuing employment (or other Service Relationship) and/or achievement of pre-established performance goals and objectives.

(b) Rights as a Shareholder. Upon the grant of the Restricted Stock Award and payment of any applicable purchase price, a grantee shall have the rights of a shareholder with respect to the voting of the Restricted Shares and receipt of dividends; provided that any dividends paid by the Bank with respect to any unvested Restricted Shares shall accrue and shall not be paid to the grantee unless and until such Restricted Shares vest and if any such Restricted Shares are forfeited, the grantee shall have no rights to any such accrued dividends. Unless the Administrator shall otherwise determine, (i) uncertificated Restricted Shares shall be accompanied by a notation on the records of the Bank or the transfer agent to the effect that they are subject to forfeiture until such Restricted Shares are vested as provided in Section 7(d) below, and (ii) certificated Restricted Shares shall remain in the possession of the Bank until such Restricted Shares are vested as provided in Section 7(d) below, and the grantee shall be required, as a condition of the grant, to deliver to the Bank such instruments of transfer as the Administrator may prescribe.

(c) Restrictions. Restricted Shares may not be sold, assigned, transferred, pledged or otherwise encumbered or disposed of except as specifically provided herein or in the Restricted Stock Award Certificate. Except as may otherwise be provided by the Administrator either in the Award Certificate or, subject to Section 16 below, in writing after the Award is issued, if a grantee's employment (or other Service Relationship) with the Bank and its Subsidiaries terminates for any reason, any Restricted Shares that have not vested at the time of termination shall automatically and without any requirement of notice to such grantee from or other action by or on behalf of, the Bank be deemed to have been reacquired by the Bank at its original purchase price (if any) from such grantee or such grantee's legal representative simultaneously with such termination of employment (or other Service Relationship), and thereafter shall cease to represent any ownership of the Bank by the grantee or rights of the grantee as a shareholder. Following such deemed reacquisition of Restricted Shares that are represented by physical certificates, a grantee shall surrender such certificates to the Bank upon request without consideration.

(d) Vesting of Restricted Shares. The Administrator at the time of grant shall specify the date or dates and/or the attainment of pre-established performance goals, objectives and other conditions on which the non-transferability of the Restricted Shares and the Bank's right of repurchase or forfeiture shall lapse. Subsequent to such date or dates and/or the attainment of

such pre-established performance goals, objectives and other conditions, the shares on which all restrictions have lapsed shall no longer be Restricted Shares and shall be deemed “vested.”

## SECTION 8. RESTRICTED STOCK UNITS

(a) Nature of Restricted Stock Units. The Administrator may grant Restricted Stock Units under the Plan. A Restricted Stock Unit is an Award of stock units that may be settled in shares of Stock (or cash, to the extent explicitly provided for in the Award Certificate) upon the satisfaction of such restrictions and conditions at the time of grant. Conditions may be based on continuing employment (or other Service Relationship) and/or achievement of pre-established performance goals and objectives. The terms and conditions of each such Award shall be determined by the Administrator, and such terms and conditions may differ among individual Awards and grantees. Except in the case of Restricted Stock Units with a deferred settlement date that complies with Section 409A, at the end of the vesting period, the Restricted Stock Units, to the extent vested, shall be settled in the form of shares of Stock. Restricted Stock Units with deferred settlement dates are subject to Section 409A and shall contain such additional terms and conditions as the Administrator shall determine in its sole discretion in order to comply with the requirements of Section 409A.

(b) Election to Receive Restricted Stock Units in Lieu of Compensation. The Administrator may, in its sole discretion, permit a grantee to elect to receive a portion of future cash compensation otherwise due to such grantee in the form of an award of Restricted Stock Units. Any such election shall be made in writing and shall be delivered to the Bank no later than the date specified by the Administrator and in accordance with Section 409A and such other rules and procedures established by the Administrator. Any such future cash compensation that the grantee elects to defer shall be converted to a fixed number of Restricted Stock Units based on the Fair Market Value of Stock on the date the compensation would otherwise have been paid to the grantee if such payment had not been deferred as provided herein. The Administrator shall have the sole right to determine whether and under what circumstances to permit such elections and to impose such limitations and other terms and conditions thereon as the Administrator deems appropriate. Any Restricted Stock Units that are elected to be received in lieu of cash compensation shall be fully vested, unless otherwise provided in the Award Certificate.

(c) Rights as a Shareholder. A grantee shall have the rights as a shareholder only as to shares of Stock acquired by the grantee upon settlement of Restricted Stock Units; provided, however, that the grantee may be credited with Dividend Equivalent Rights with respect to the stock units underlying his Restricted Stock Units, subject to the provisions of Section 11 and such terms and conditions as the Administrator may determine.

(d) Termination. Except as may otherwise be provided by the Administrator either in the Award Certificate or, subject to Section 16 below, in writing after the Award is issued, a grantee’s right in all Restricted Stock Units that have not vested shall automatically terminate upon the grantee’s termination of employment (or cessation of Service Relationship) with the Bank and its Subsidiaries for any reason.

## SECTION 9. UNRESTRICTED STOCK AWARDS

Grant or Sale of Unrestricted Stock. The Administrator may grant (or sell at par value or such higher purchase price determined by the Administrator) an Unrestricted Stock Award under the Plan. An Unrestricted Stock Award is an Award pursuant to which the grantee may receive shares of Stock free of any restrictions under the Plan. Unrestricted Stock Awards may be granted in respect of past services or other valid consideration, or in lieu of cash compensation due to such grantee.

## SECTION 10. CASH-BASED AWARDS

Grant of Cash-Based Awards. The Administrator may grant Cash-Based Awards under the Plan. A Cash-Based Award is an Award that entitles the grantee to a payment in cash upon the attainment of specified performance goals. The Administrator shall determine the maximum duration of the Cash-Based Award, the amount of cash to which the Cash-Based Award pertains, the conditions upon which the Cash-Based Award shall become vested or payable, and such other provisions as the Administrator shall determine. Each Cash-Based Award shall specify a cash-denominated payment amount, formula or payment ranges as determined by the Administrator. Payment, if any, with respect to a Cash-Based Award shall be made in accordance with the terms of the Award and may be made in cash.

## SECTION 11. DIVIDEND EQUIVALENT RIGHTS

(a) Dividend Equivalent Rights. The Administrator may grant Dividend Equivalent Rights under the Plan. A Dividend Equivalent Right is an Award entitling the grantee to receive credits based on cash dividends that would have been paid on the shares of Stock specified in the Dividend Equivalent Right (or other Award to which it relates) if such shares had been issued to the grantee. A Dividend Equivalent Right may be granted hereunder to any grantee as a component of an award of Restricted Stock Units or as a freestanding award. The terms and conditions of Dividend Equivalent Rights shall be specified in the Award Certificate. Dividend equivalents credited to the holder of a Dividend Equivalent Right may accrue or may be deemed to be reinvested in additional shares of Stock, which may thereafter accrue additional equivalents. Any such reinvestment shall be at Fair Market Value on the date of reinvestment or such other price as may then apply under a dividend reinvestment plan sponsored by the Bank, if any. Dividend Equivalent Rights may be settled in cash or shares of Stock or a combination thereof, in a single installment or installments, but only upon vesting of the Dividend Equivalent Right (or other Award to which it relates). A Dividend Equivalent Right granted as a component of an Award of Restricted Stock Units shall provide that such Dividend Equivalent Right shall be settled only upon vesting of such other Award, and that such Dividend Equivalent Right shall expire or be forfeited or annulled under the same conditions as such other Award. In no event shall a Dividend Equivalent Right be granted as a component of a Stock Option or Stock Appreciation Right.

(b) Termination. Except as may otherwise be provided by the Administrator either in the Award Certificate or, subject to Section 16 below, in writing after the Award is issued, a grantee's rights in all Dividend Equivalent Rights shall automatically terminate upon the

grantee's termination of employment (or cessation of Service Relationship) with the Bank and its Subsidiaries for any reason.

(c) No Dividends or Dividend Equivalent Rights on Unvested Awards.

Notwithstanding anything herein to the contrary, in no event shall any dividends or Dividend Equivalent Rights be paid with respect to an Award while an Award is unvested (provided that, for the avoidance of doubt, such dividends or Dividend Equivalent Rights may accrue with respect to an unvested Award but shall only be paid upon the vesting of the related Award).

SECTION 12. TRANSFERABILITY OF AWARDS

(a) Transferability. Except as provided in Section 12(b) below, during a grantee's lifetime, his or her Awards shall be exercisable only by the grantee, or by the grantee's legal representative or guardian in the event of the grantee's incapacity. No Awards shall be sold, assigned, transferred or otherwise encumbered or disposed of by a grantee other than by will or by the laws of descent and distribution or pursuant to a domestic relations order. No Awards shall be subject, in whole or in part, to attachment, execution, or levy of any kind, and any purported transfer in violation hereof shall be null and void.

(b) Administrator Action. Notwithstanding Section 12(a), the Administrator, in its discretion, may provide either in the Award Certificate regarding a given Award or by subsequent written approval that the grantee (who is an employee or director) may transfer his or her Non-Qualified Stock Options to his or her immediate family members, to trusts for the benefit of such family members, or to partnerships in which such family members are the only partners, provided that the transferee agrees in writing with the Bank to be bound by all of the terms and conditions of this Plan and the applicable Award. In no event may an Award be transferred by a grantee for value.

(c) Family Member. For purposes of Section 12(b), "family member" shall mean a grantee's child, stepchild, grandchild, parent, stepparent, grandparent, spouse, former spouse, sibling, niece, nephew, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law, or sister-in-law, including adoptive relationships, any person sharing the grantee's household (other than a tenant of the grantee), a trust in which these persons (or the grantee) have more than 50 percent of the beneficial interest, a foundation in which these persons (or the grantee) control the management of assets, and any other entity in which these persons (or the grantee) own more than 50 percent of the voting interests.

(d) Designation of Beneficiary. To the extent permitted by the Bank, each grantee to whom an Award has been made under the Plan may designate a beneficiary or beneficiaries to exercise any Award or receive any payment under any Award payable on or after the grantee's death. Any such designation shall be on a form provided for that purpose by the Administrator and shall not be effective until received by the Administrator. If no beneficiary has been designated by a deceased grantee, or if the designated beneficiaries have predeceased the grantee, the beneficiary shall be the grantee's estate.

## SECTION 13. TAX WITHHOLDING

(a) Payment by Grantee. Each grantee shall, no later than the date as of which the value of an Award or of any Stock or other amounts received thereunder first becomes includable in the gross income of the grantee for Federal income tax purposes, pay to the Bank, or make arrangements satisfactory to the Administrator regarding payment of, any Federal, state, or local taxes of any kind required by law to be withheld by the Bank with respect to such income. The Bank and its Subsidiaries shall, to the extent permitted by law, have the right to deduct any such taxes from any payment of any kind otherwise due to the grantee. The Bank's obligation to deliver evidence of book entry (or stock certificates) to any grantee is subject to and conditioned on tax withholding obligations being satisfied by the grantee.

(b) Payment in Stock. The Administrator may require the Bank's tax withholding obligation to be satisfied, in whole or in part, by the Bank withholding from shares of Stock to be issued pursuant to any Award a number of shares with an aggregate Fair Market Value (as of the date the withholding is effected) that would satisfy the withholding amount due; provided, however, that the amount withheld does not exceed the maximum statutory tax rate or such lesser amount as is necessary to avoid liability accounting treatment. For purposes of share withholding, the Fair Market Value of withheld shares shall be determined in the same manner as the value of Stock includable in income of the grantees. The Administrator may also require the Bank's tax withholding obligation to be satisfied, in whole or in part, by an arrangement whereby a certain number of shares of Stock issued pursuant to any Award are immediately sold and proceeds from such sale are remitted to the Bank in an amount that would satisfy the withholding amount due.

## SECTION 14. SECTION 409A AWARDS

Awards are intended to be exempt from Section 409A to the greatest extent possible and to otherwise comply with Section 409A. The Plan and all Awards shall be interpreted in accordance with such intent. To the extent that any Award is determined to constitute "nonqualified deferred compensation" within the meaning of Section 409A (a "409A Award"), the Award shall be subject to such additional rules and requirements as specified by the Administrator from time to time in order to comply with Section 409A. In this regard, if any amount under a 409A Award is payable upon a "separation from service" (within the meaning of Section 409A) to a grantee who is then considered a "specified employee" (within the meaning of Section 409A), then no such payment shall be made prior to the date that is the earlier of (i) six months and one day after the grantee's separation from service, or (ii) the grantee's death, but only to the extent such delay is necessary to prevent such payment from being subject to interest, penalties and/or additional tax imposed pursuant to Section 409A. Further, the settlement of any 409A Award may not be accelerated except to the extent permitted by Section 409A.

## SECTION 15. TERMINATION OF SERVICE RELATIONSHIP, TRANSFER, LEAVE OF ABSENCE, ETC.

(a) Termination of Service Relationship. If the grantee's Service Relationship is with an Affiliate and such Affiliate ceases to be an Affiliate, the grantee shall be deemed to have terminated his or her Service Relationship for purposes of the Plan.

(b) For purposes of the Plan, the following events shall not be deemed a termination of a Service Relationship:

(i) a transfer to the employment of the Bank from an Affiliate or from the Bank to an Affiliate, or from one Affiliate to another; or

(ii) an approved leave of absence for military service or sickness, or for any other purpose approved by the Bank, if the employee's right to re-employment is guaranteed either by a statute or by contract or under the policy pursuant to which the leave of absence was granted or if the Administrator otherwise so provides in writing.

#### SECTION 16. AMENDMENTS AND TERMINATION

The Board may, at any time, amend or discontinue the Plan and the Administrator may, at any time, amend or cancel any outstanding Award for the purpose of satisfying changes in law or for any other lawful purpose, but no such action shall materially and adversely affect rights under any outstanding Award without the holder's consent. Except as provided in Section 3(b) or 3(c), without prior shareholder approval, in no event may the Administrator exercise its discretion to reduce the exercise price of outstanding Stock Options or Stock Appreciation Rights or effect repricing through cancellation and re-grants or cancellation of Stock Options or Stock Appreciation Rights in exchange for cash or other Awards. To the extent required under the rules of any securities exchange or market system on which the Stock is listed, to the extent determined by the Administrator to be required by the Code to ensure that Incentive Stock Options granted under the Plan are qualified under Section 422 of the Code, Plan amendments shall be subject to approval by the Bank's shareholders. Nothing in this Section 16 shall limit the Administrator's authority to take any action permitted pursuant to Section 3(b) or 3(c).

#### SECTION 17. STATUS OF PLAN

With respect to the portion of any Award that has not been exercised and any payments in cash, Stock or other consideration not received by a grantee, a grantee shall have no rights greater than those of a general creditor of the Bank unless the Administrator shall otherwise expressly determine in connection with any Award or Awards. In its sole discretion, the Administrator may authorize the creation of trusts or other arrangements to meet the Bank's obligations to deliver Stock or make payments with respect to Awards hereunder, provided that the existence of such trusts or other arrangements is consistent with the foregoing sentence.

#### SECTION 18. GENERAL PROVISIONS

(a) No Distribution. The Administrator may require each person acquiring Stock pursuant to an Award to represent to and agree with the Bank in writing that such person is acquiring the shares without a view to distribution thereof.

(b) Issuance of Stock. To the extent certificated, stock certificates to grantees under this Plan shall be deemed delivered for all purposes when the Bank or a stock transfer agent of the Bank shall have mailed such certificates in the United States mail, addressed to the grantee, at the grantee's last known address on file with the Bank. Uncertificated Stock shall be deemed delivered for all purposes when the Bank or a Stock transfer agent of the Bank shall have given

to the grantee by electronic mail (with proof of receipt) or by United States mail, addressed to the grantee, at the grantee's last known address on file with the Bank, notice of issuance and recorded the issuance in its records (which may include electronic "book entry" records). Notwithstanding anything herein to the contrary, the Bank shall not be required to issue or deliver any evidence of book entry or certificates evidencing shares of Stock pursuant to the exercise or settlement of any Award, unless and until the Administrator has determined, with advice of counsel (to the extent the Administrator deems such advice necessary or advisable), that the issuance and delivery is in compliance with all applicable laws, regulations of governmental authorities and, if applicable, the requirements of any exchange on which the shares of Stock are listed, quoted or traded. Any Stock issued pursuant to the Plan shall be subject to any stop-transfer orders and other restrictions as the Administrator deems necessary or advisable to comply with federal, state or foreign jurisdiction, securities or other laws, rules and quotation system on which the Stock is listed, quoted or traded. The Administrator may place legends on any Stock certificate or notations on any book entry to reference restrictions applicable to the Stock. In addition to the terms and conditions provided herein, the Administrator may require that an individual make such reasonable covenants, agreements, and representations as the Administrator, in its discretion, deems necessary or advisable in order to comply with any such laws, regulations, or requirements. The Administrator shall have the right to require any individual to comply with any timing or other restrictions with respect to the settlement or exercise of any Award, including a window-period limitation, as may be imposed in the discretion of the Administrator.

(c) Shareholder Rights. Until Stock is deemed delivered in accordance with Section 18(b), no right to vote or receive dividends or any other rights of a shareholder will exist with respect to shares of Stock to be issued in connection with an Award, notwithstanding the exercise of a Stock Option or any other action by the grantee with respect to an Award.

(d) Other Compensation Arrangements; No Employment Rights. Nothing contained in this Plan shall prevent the Board from adopting other or additional compensation arrangements, including trusts, and such arrangements may be either generally applicable or applicable only in specific cases. The adoption of this Plan and the grant of Awards do not confer upon any employee any right to continued employment with the Bank or any Subsidiary.

(e) Trading Policy Restrictions. Option exercises and other Awards under the Plan shall be subject to the Bank's insider trading policies and procedures, as in effect from time to time.

(f) Clawback Policy. Awards under the Plan shall be subject to the Bank's clawback policy, as in effect from time to time.

## SECTION 19. EFFECTIVE DATE OF PLAN

This Plan shall become effective upon shareholder approval in accordance with applicable state law, the Bank's bylaws and articles of incorporation, and applicable stock exchange rules. No grants of Stock Options and other Awards may be made hereunder after the tenth anniversary of the Effective Date and no grants of Incentive Stock Options may be made hereunder after the tenth anniversary of the date the Plan is approved by the Board.



SECTION 20. GOVERNING LAW

This Plan and all Awards and actions taken thereunder shall be governed by, and construed in accordance with, the laws of the State of Maine, applied without regard to conflict of law principles.

DATE APPROVED BY BOARD OF DIRECTORS: February 26, 2021

DATE APPROVED BY SHAREHOLDERS:



**Your vote matters – here's how to vote!**

You may vote online or by phone instead of mailing this card.

**Online**

Go to [www.envisionreports.com/MBN](http://www.envisionreports.com/MBN) or scan the QR code – login details are located in the shaded bar below.



**Phone**

Call toll free 1-800-652-VOTE (8683) within the USA, US territories and Canada



**Save paper, time and money!**

**Sign up for electronic delivery at [www.envisionreports.com/MBN](http://www.envisionreports.com/MBN)**

Using a **black ink** pen, mark your votes with an **X** as shown in this example. Please do not write outside the designated areas.



**Northeast Bank 2021 Special Meeting Proxy Card**

▼ IF VOTING BY MAIL, SIGN, DETACH AND RETURN THE BOTTOM PORTION IN THE ENCLOSED ENVELOPE. ▼



**A Proposals – The Board of Directors recommend a vote FOR Proposals 1 and 2.**

1. To approve the Northeast Bank 2021 Stock Option and Incentive Plan.

For  Against  Abstain

2. To approve the adjournment of the special meeting, if necessary, to solicit additional proxies in the event that there are not sufficient votes at the time of the special meeting to approve the Northeast Bank 2021 Stock Option and Incentive Plan.

For  Against  Abstain

**B Authorized Signatures – This section must be completed for your vote to count. Please date and sign below.**

Please sign exactly as name(s) appears hereon. Joint owners should each sign. When signing as attorney, executor, administrator, corporate officer, trustee, guardian, or custodian, please give full title.

Date (mm/dd/yyyy) – Please print date below.

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Signature 1 – Please keep signature within the box.

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Signature 2 – Please keep signature within the box.

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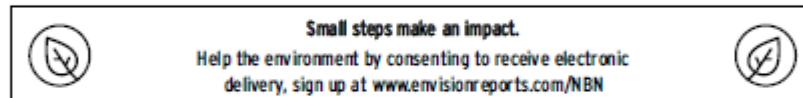


The 2021 Special Meeting of Shareholders of Northeast Bank will be held on Friday, April 30, 2021, 10:00 A.M. Eastern Time, at Northeast Bank, 200 Berkeley St., 17th Floor, Boston, MA 02116. Shareholders may also vote their shares and participate at the meeting virtually via the internet at [www.meetingcenter.io/214972966](http://www.meetingcenter.io/214972966).

To access the virtual meeting, you must have the information that is printed in the shaded bar located on the reverse side of this form.

The password for this meeting is – NBN2021.

Important notice regarding the Internet availability of proxy materials for the Special Meeting of Shareholders.  
The material is available at: [www.envisionreports.com/NBN](http://www.envisionreports.com/NBN)



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## Proxy – Northeast Bank



### Notice of 2021 Special Meeting of Shareholders

#### Proxy Solicited by Board of Directors for Special Meeting – April 30, 2021

Richard Wayne and Jean-Pierre Lapointe, each with the power of substitution, are hereby authorized to represent and vote the shares of the undersigned, with all the powers which the undersigned would possess if personally present, at the Special Meeting of Shareholders of Northeast Bank to be held on April 30, 2021 or at any postponement or adjournment thereof.

Shares represented by this proxy will be voted in accordance with the shareholder's instructions. If no such directions are indicated, the Proxies will have authority to vote FOR Proposals 1 and 2.

In their discretion, the Proxies are authorized to vote upon such other business as may properly come before the meeting.

This proxy may be revoked at any time before it is exercised.

(Items to be voted appear on reverse side)

#### **C** Non-Voting Items

Change of Address – Please print new address below.

Comments – Please print your comments below.





**Online**

Go to [www.envisionreports.com/NBN](http://www.envisionreports.com/NBN) or scan the QR code – login details are located in the shaded bar below.

**Northeast Bank Shareholder Meeting Notice**

**Important Notice Regarding the Availability of Proxy Materials for the Northeast Bank Special Meeting of Shareholders to be Held on April 30, 2021**

Under Securities and Exchange Commission rules, you are receiving this notice that the proxy materials for the special meeting of shareholders are available on the Internet. Follow the instructions below to view the materials and vote online or request a copy. The items to be voted on and location of the special meeting are on the reverse side. Your vote is important!

**This communication presents only an overview of the more complete proxy materials that are available to you on the Internet. We encourage you to access and review all of the important information contained in the proxy materials before voting. The Proxy Statement and 2021 Stock Option and Incentive Plan to shareholders are available at:**

[www.envisionreports.com/NBN](http://www.envisionreports.com/NBN)

**Easy Online Access – View your proxy materials and vote.**



- Step 1:** Go to [www.envisionreports.com/NBN](http://www.envisionreports.com/NBN).
- Step 2:** Click on **Cast Your Vote** or **Request Materials**.
- Step 3:** Follow the instructions on the screen to log in.
- Step 4:** Make your selections as instructed on each screen for your delivery preferences.
- Step 5:** Vote your shares.

**When you go online, you can also help the environment by consenting to receive electronic delivery of future materials.**



**Obtaining a Copy of the Proxy Materials – If you want to receive a copy of the proxy materials, you must request one. There is no charge to you for requesting a copy. Please make your request as instructed on the reverse side on or before April 16, 2021 to facilitate timely delivery.**



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## Northeast Bank Shareholder Meeting Notice

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Northeast Bank's Special Meeting of Shareholders will be held on Friday, April 30, 2021, 10:00 A.M. Eastern Time, at Northeast Bank, 200 Berkeley St., 17th Floor, Boston, MA 02116. Shareholders may also vote their shares and participate at the meeting virtually via the internet at [www.meetingcenter.io/214972966](http://www.meetingcenter.io/214972966). To access the virtual meeting, you must have the information that is printed in the shaded bar located on the reverse side of this form. The password for this meeting is – NBN2021.

Proposals to be voted on at the meeting are listed below along with the Board of Directors' recommendations.

The Board of Directors recommend a vote FOR Proposals 1 and 2:

1. To approve the Northeast Bank 2021 Stock Option and Incentive Plan.
2. To approve the adjournment of the special meeting, if necessary, to solicit additional proxies in the event that there are not sufficient votes at the time of the special meeting to approve the Northeast Bank 2021 Stock Option and Incentive Plan.

**PLEASE NOTE – YOU CANNOT VOTE BY RETURNING THIS NOTICE.** To vote your shares you must go online or request a paper copy of the proxy materials to receive a proxy card.



### Here's how to order a copy of the proxy materials and select delivery preferences:

Current and future delivery requests can be submitted using the options below.

If you request an email copy, you will receive an email with a link to the current meeting materials.

**PLEASE NOTE:** You must use the number in the shaded bar on the reverse side when requesting a copy of the proxy materials.

- **Internet** - Go to [www.envisionreports.com/NBN](http://www.envisionreports.com/NBN). Click Cast Your Vote or Request Materials.
- **Phone** - Call us free of charge at 1-866-641-4276.
- **Email** - Send an email to [investorvote@computershare.com](mailto:investorvote@computershare.com) with "Proxy Materials Northeast Bank" in the subject line. Include your full name and address, plus the number located in the shaded bar on the reverse side, and state that you want a paper copy of the meeting materials.

To facilitate timely delivery, all requests for a paper copy of proxy materials must be received by April 16, 2021.



Using a **black ink** pen, mark your votes with an **X** as shown in this example. Please do not write outside the designated areas.



### Northeast Bank 2021 Special Meeting Proxy Card

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#### Proposals – The Board of Directors recommend a vote **FOR** Proposals 1 and 2.

1. To approve the Northeast Bank 2021 Stock Option and Incentive Plan.

**For**  **Against**  **Abstain**

2. To approve the adjournment of the special meeting, if necessary, to solicit additional proxies in the event that there are not sufficient votes at the time of the special meeting to approve the Northeast Bank 2021 Stock Option and Incentive Plan.

**For**  **Against**  **Abstain**

#### Authorized Signatures – This section must be completed for your vote to count. Please date and sign below.

Please sign exactly as name(s) appears herein. Joint owners should each sign. When signing as attorney, executor, administrator, corporate officer, trustee, guardian, or custodian, please give full title.

Date (mm/dd/yyyy) – Please print date below.

Signature 1 – Please keep signature within the box.

Signature 2 – Please keep signature within the box.



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## Proxy – Northeast Bank

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#### Proxy Solicited by Board of Directors for Special Meeting – April 30, 2021

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Shares represented by this proxy will be voted in accordance with the shareholder's instructions. If no such directions are indicated, the Proxies will have authority to vote FOR Proposals 1 and 2.

In their discretion, the Proxies are authorized to vote upon such other business as may properly come before the meeting.

This proxy may be revoked at any time before it is exercised.

(Items to be voted appear on reverse side)