

**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)

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- 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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Form, Schedule or Registration Statement No.:

(3) \_\_\_\_\_  
Filing Party:

(4) \_\_\_\_\_  
Date Filed:

\_\_\_\_\_

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October 1, 2019

Dear Northeast Bank Shareholder:

You are cordially invited to attend the 2019 annual meeting of shareholders of Northeast Bank. The annual meeting will be held on Tuesday, November 12, 2019 at 10:00 a.m., Eastern time, at the offices of Goodwin Procter LLP located at 100 Northern Avenue, Boston, Massachusetts 02210.

The proxy statement, with the accompanying formal notice of the meeting, describes the matters expected to be acted upon at the meeting. We urge you to review these materials carefully and to use this opportunity to take part in the affairs of Northeast Bank by voting on the matters described in the proxy statement. Following the formal portion of the meeting, we will report on the operations of our Bank, and our directors and management team will be available to answer appropriate questions from shareholders.

Your vote is important. We hope that you will be able to attend the meeting. Whether or not you plan to attend the meeting, please vote as soon as possible. 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 flourish extending to the right.

Richard Wayne  
*President and Chief Executive Officer*

**NORTHEAST BANK**  
500 Canal Street  
Lewiston, Maine 04240

**NOTICE OF ANNUAL MEETING OF SHAREHOLDERS  
TO BE HELD ON NOVEMBER 12, 2019**

The 2019 annual meeting of shareholders of Northeast Bank will be held on Tuesday, November 12, 2019 at 10:00 a.m., Eastern time, at the offices of Goodwin Procter LLP located at 100 Northern Avenue, Boston, Massachusetts 02210.

1. To elect the three nominees named in the proxy statement as Class III directors, each to serve for a three-year term and until their respective successors are duly elected and qualified.
2. To approve, on an advisory, non-binding basis, the compensation of our named executive officers.
3. To ratify the appointment of RSM US LLP as our independent registered public accounting firm for the fiscal year ending June 30, 2020.
4. To consider and act upon any other matters that are properly brought before the annual meeting and at any adjournments or postponements thereof. At this time, we are not aware of any such other matters.

You may vote if you were a holder of shares of voting common stock of record as of the close of business on September 18, 2019. If you do not plan to attend the meeting and vote your shares of voting common stock in person, 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 annual meeting.

By Order of the Board of Directors



Date: October 1, 2019

Heidi Jacques  
*Corporate Clerk*

**Important Notice Regarding the Availability of Proxy Materials for  
the Annual Meeting of Shareholders to be Held on November 12, 2019**

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 annual meeting. On or about October 1, 2019, we mailed a Notice of Internet Availability of Proxy Materials (the "Notice") to all shareholders of record of voting common stock as of September 18, 2019, containing instructions on how to access our proxy statement, Form 10-K and annual report 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 and annual report to shareholders are available at  
*<http://www.investorvote.com/NBN>*.**

**NORTHEAST BANK**  
500 Canal Street  
Lewiston, 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 October 1, 2019, 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 2019 annual meeting of shareholders of Northeast Bank to be held on Tuesday, November 12, 2019 at 10:00 a.m., Eastern time, at the offices of Goodwin Procter LLP located at 100 Northern Avenue, Boston, Massachusetts 02210, and at any adjournments or postponements thereof. For directions to attend the annual meeting, please visit <http://www.edocumentview.com/NBN>.

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 Annual Meeting of Shareholders To Be Held on Tuesday, November 12, 2019**

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 annual meeting. On or about October 1, 2019, we mailed a Notice of Internet Availability of Proxy Materials (the “Notice”) to all shareholders of record of voting common stock as of September 18, 2019, containing instructions on how to access our proxy statement, Form 10-K and annual report 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 ANNUAL MEETING**

**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 2019 annual meeting of shareholders. This proxy statement contains detailed information you need to know in order to vote at the annual 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 annual meeting:

1. To elect the three nominees named in the proxy statement as Class III directors, each to serve for a three-year term and until their respective successors are duly elected and qualified.
2. To approve, on an advisory, non-binding basis, the compensation of our named executive officers.
3. To ratify the appointment of RSM US LLP as our independent registered public accounting firm for the fiscal year ending June 30, 2020.
4. To consider and act upon any other matters that are properly brought before the annual meeting and at any adjournments or postponements thereof. At this time we are not aware of any such other matters.

## 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 September 18, 2019, (the “Record Date”), you are entitled to receive notice of the annual 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 annual meeting. Each shareholder of record and proxy will be asked to present a valid government-issued photo identification, such as a driver’s license or passport, before being admitted. If you are not a shareholder of record but you hold your shares in “street name,” you should provide proof of beneficial ownership as of the Record Date, such as an account statement reflecting your stock ownership as of the Record Date, a copy of the voting instruction card provided by your broker, bank or other nominee, or other similar evidence of ownership. We reserve the right to determine the validity of any purported proof of beneficial ownership. If you do not have proof of ownership, you may not be admitted to the annual meeting. Cameras, recording devices and other electronic devices will not be permitted, and attendees may be subject to security inspections and other security precautions.

## What constitutes a quorum?

The presence, in person 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 annual meeting. As of the Record Date, there were 8,997,558 shares of voting common stock outstanding and entitled to vote at the annual meeting. Each share of voting common stock outstanding on the Record Date is entitled to one vote on each matter properly submitted at the annual meeting and, with respect to the election of directors, one vote for each director to be elected. Abstentions and “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 be counted for purposes of determining whether a quorum is present for the transaction of business at the annual meeting.

## How do I vote?

***Voting in Person at the Meeting.*** If you are a Voting Shareholder as of the Record Date and attend the annual meeting, you may vote in person at the meeting. If your shares of voting common stock are held in “street name” and you wish to vote in person 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. Internet proxy voting is available 24 hours per day until 3:00 a.m., Eastern time, on November 12, 2019. 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. Telephone proxy voting is available 24 hours per day until 3:00 a.m., Eastern time, on November 12, 2019. 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 common stock voted.

#### **Will other matters be voted on at the annual meeting?**

We are not currently aware of any other matters to be presented at the annual meeting other than those described in this proxy statement. If any other matters not described in the proxy statement are properly presented at the meeting, any proxies received by us will be voted in the discretion of the proxy holders.

#### **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, 500 Canal Street, Lewiston, Maine 04240;
- Submitting a new proxy by telephone, Internet or proxy card after the time and date of the previously submitted proxy; or
- Appearing in person and voting by ballot at the annual meeting.

If you are a Voting Shareholder as of the Record Date attending the annual meeting, you may vote in person whether or not a proxy has been previously given, but your presence (without further action) at the annual 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, 500 Canal Street, Lewiston, Maine 04240 or visit the “Investor Relations” tab at [www.northeastbank.com/about-us](http://www.northeastbank.com/about-us).

Additionally, this proxy statement and our 2019 annual report are available on the Bank’s website and at <http://www.investorvote.com/NBN>.



## **CORPORATE GOVERNANCE PRINCIPLES AND BOARD MATTERS**

### **The Board of Directors**

The Board of Directors, which is elected by the Voting Shareholders, is responsible for the overall management of the business and affairs of Northeast. It has the ultimate decision-making authority, except with respect to those matters reserved to shareholders. The Board and its committees review Northeast's long-term strategic plans and exercise direct decision-making authority in a number of areas, such as declaring a dividend. The Board of Directors selects, advises and monitors the performance of the senior management team, which is charged with the conduct of Northeast's business and the implementation of the Board's strategic plan. The Board of Directors also reviews development and succession plans for Northeast's senior executive officers, as needed.

The Board of Directors currently consists of seven members divided into three classes. Class I directors are Robert R. Glauber and Richard Wayne; Class II directors are Matthew B. Botein and Cheryl Lynn Dorsey; and Class III directors are John C. Orestis, David A. Tanner and Judith E. Wallingford. The terms of the Class III directors will expire at the 2019 annual meeting.

### **Corporate Governance Guidelines**

The Board of Directors has adopted Corporate Governance Guidelines that govern the structure of the Board of Directors and outline the Board's policies on a number of Northeast's corporate governance issues and procedures. These guidelines embody long-standing practices of Northeast and also include procedures designed to incorporate current corporate governance best practices. Northeast's corporate governance practices are designed to align the interests of the Board and management with those of Northeast's shareholders and to promote honesty and integrity throughout the Bank. The Corporate Governance Guidelines are available on the Bank's website under the "Investor Relations" tab at [www.northeastbank.com/about-us](http://www.northeastbank.com/about-us).

### **Director Qualifications and Independence**

Applicable rules of The NASDAQ Stock Market (the "NASDAQ Listing Rules"), the exchange on which Northeast's voting common stock is listed, and the Corporate Governance Guidelines require that the Board of Directors consist of a majority of independent directors. The Board of Directors evaluates the relationships between each director (or his or her immediate family members and related interests) and the Bank to determine a director's independence under the NASDAQ Listing Rules. Based on that review, the Board of Directors has affirmatively determined that each director, other than Mr. Wayne, is independent under the NASDAQ Listing Rules.

### **Executive Sessions of the Board**

As provided in the Corporate Governance Guidelines, the independent directors meet in executive session at least quarterly and often monthly, following a meeting of the Board of Directors. The chairman of the Board of Directors presides at these sessions.

### **Board Attendance and Annual Meeting Policy**

It is the Bank's policy that directors should make every effort to attend each meeting of the Board of Directors, each meeting of the committees on which they serve, and the annual meeting of shareholders. During the fiscal year ended June 30, 2019 ("fiscal 2019"), there were 12 meetings of the Board of Directors, and each of the directors attended at least 75% of the meetings of the Board of Directors (held during the period for which he or she had been a director) and committees on which he or she served (during the periods that he or she served). Directors are expected to attend annual meetings of shareholders in person unless doing so is impracticable due to unavoidable conflicts. Six directors of Northeast attended the 2018 annual meeting of shareholders.

### **Board Leadership**

In accordance with the Bank's bylaws, the Board elects an independent director as the Chairman of the Board and also appoints the President, who also serves as Chief Executive Officer. Robert Glauber serves as the Bank's Chairman of the Board, and Richard Wayne serves as President and Chief Executive Officer of the Bank. The Chairman is responsible for the management, development and effective functioning of the Board and provides

leadership in every aspect of the Board’s oversight of the Bank. The Chairman also acts in an advisory capacity to the President and Chief Executive Officer, and to other executive officers in matters concerning the interests of the Bank and the Board, as well as serving as the liaison between management and the Board. The Chairman and the President and Chief Executive Officer work closely to ensure that the strategic goals of Northeast’s management team are in line with the risk and governance oversight objectives of the Board of Directors.

### **Board Committee Membership and Meetings**

The committees of the Board of Directors include an Audit Committee, Compensation Committee, Nominating and Corporate Governance Committee (“Governance Committee”) and Risk Management Committee. These committees assist the Board in fulfilling its responsibilities. All of the members of the committees are nominated by the Governance Committee and appointed by the Board of Directors. Members of these committees are elected annually at the Board of Directors’ meeting following the annual meeting of shareholders. Each of these committees is composed entirely of independent directors. Each of the Audit Committee, the Compensation Committee, the Governance Committee and the Risk Management Committee operates under a committee charter approved by the Board of Directors setting out the purposes and responsibilities of the committee.

<u>Audit Committee</u>	<u>Compensation Committee</u>	<u>Governance Committee</u>	<u>Risk Management Committee</u>
Judith E. Wallingford, Chair Cheryl Lynn Dorsey John C. Orestis	Matthew B. Botein, Chair Robert R. Glauber Judith E. Wallingford Cheryl Lynn Dorsey	Robert R. Glauber, Chair Cheryl Lynn Dorsey John C. Orestis	John C. Orestis, Chair Matthew B. Botein Judith E. Wallingford David A. Tanner

***Audit Committee.*** The Audit Committee currently consists of Mses. Wallingford and Dorsey and Mr. Orestis. Each member of the Audit Committee is independent under the NASDAQ Listing Rules and meets the criteria for independence as set forth in the SEC rules applicable to an audit committee.

The Audit Committee (i) oversees the accounting, financial reporting and internal control processes and the audits of financial statements; (ii) takes, or recommends that the Board take, appropriate action to oversee the qualifications, independence and performance of independent auditors; and (iii) prepares the report required by the rules of the SEC to be included in the proxy statement.

The Audit Committee held nine meetings during fiscal 2019. The Board of Directors has determined that Ms. Wallingford qualifies as an “audit committee financial expert” as that term is defined in the rules of the SEC. The Audit Committee’s charter is available on the Bank’s website under the “Investor Relations” tab at [www.northeastbank.com/about-us](http://www.northeastbank.com/about-us).

***Compensation Committee.*** The Compensation Committee currently consists of Messrs. Botein and Glauber and Mses. Dorsey and Wallingford. Each member of the Compensation Committee is independent under the NASDAQ Listing Rules.

The Compensation Committee oversees overall compensation structure, policies and programs, reviews processes and procedures for the consideration and determination of director and executive compensation, and is responsible for producing a report for inclusion in the proxy statement relating to the Bank’s annual meeting of shareholders or annual report on Form 10-K, in accordance with applicable rules and regulations. The primary objective of the Compensation Committee is to develop and implement compensation policies and plans that ensure the attraction and retention of key management personnel, the motivation of management to achieve Northeast’s corporate goals and strategies, and the alignment of the interests of management with the long-term interests of Northeast’s shareholders.

The Compensation Committee determines the compensation of all executive officers. The Compensation Committee also reviews and makes recommendations to the full Board of Directors regarding the compensation of non-employee directors. In fiscal 2019, the Compensation Committee engaged PricewaterhouseCoopers LLP to conduct market compensation reviews for its named executive officers and directors. For additional information on the Compensation Committee’s process for the consideration and determination of the executive officer and director compensation and the engagement of the compensation consultant, please see “*Executive Compensation.*”

The Compensation Committee held one meeting during fiscal 2019. The Compensation Committee's charter is available on the Bank's website under the "Investor Relations" tab at [www.northeastbank.com/about-us](http://www.northeastbank.com/about-us).

**Governance Committee.** The Governance Committee currently consists of Messrs. Glauber and Orestis and Ms. Dorsey. Each member of the Governance Committee is independent under the NASDAQ Listing Rules.

The Governance Committee is responsible for identifying individuals qualified to become board members, consistent with criteria approved by the Board, and recommending that the Board select the director nominees for election at each annual meeting of shareholders. The Governance Committee is also responsible for developing and recommending to the Board a set of corporate governance guidelines applicable to Northeast, periodically reviewing such guidelines and recommending any changes thereto, and overseeing the evaluation of the Board and management.

The Governance Committee held two meetings during fiscal 2019. The Governance Committee Charter is available on the Bank's website under the "Investor Relations" tab at [www.northeastbank.com/about-us](http://www.northeastbank.com/about-us).

**Risk Management Committee.** The Risk Management Committee currently consists of Messrs. Orestis, Botein and Tanner and Ms. Wallingford. The Risk Management Committee monitors and approves the Bank's levels of risk tolerance and related metrics on a comprehensive, enterprise-wide basis, and identifies and monitors key risks individually, approves levels of risk tolerance for each, and evaluates arrangements for the management thereof. The Risk Management Committee further provides a forum for consideration and discussion of trends and emerging risks.

The Risk Management Committee held six meetings during fiscal 2019.

## **Risk Oversight**

The Board of Directors plays an important role in the risk oversight of the Bank and is involved in risk oversight through direct decision-making authority with respect to significant matters, including the development of limits and specific risk tolerances, and the oversight of management by the Board of Directors and its committees. The Board and its committees are also each directly responsible for considering risks and the oversight of risks relating to decisions that each committee is responsible for making. In light of Northeast's overall business, market and regulatory framework under which Northeast operates, and the complexities of Northeast's operations as a whole, the Board has established a Risk Management Committee, tasked with specific responsibility for direct oversight of the risks inherent in Northeast's business, along with management of the enterprise-wide risk management program.

In addition to the Risk Management Committee, the Board of Directors administers its risk oversight function through (1) the review and discussion of regular periodic reports to the Board of Directors and its committees on topics relating to the risks that Northeast faces, including, among others, credit risk, interest rate risk, regulatory risk and various other matters relating to Northeast's business; (2) the required approval by the Board of Directors (or a committee thereof) of significant transactions and other decisions, including, among others, final budgets, material uses of capital, strategic direction, and executive management hiring and promotions; (3) the direct oversight of specific areas of Northeast's business by the Risk Management Committee, the Audit Committee, the Compensation Committee, and the Governance Committee; and (4) regular periodic reports from the Bank's internal and external auditors and other third party consultants regarding various areas of potential risk, including, among others, those relating to the Bank's internal controls and financial reporting. The Board of Directors also relies on management to bring significant matters impacting the Bank to the Board's attention.

## **Consideration of Director Nominees**

**Shareholder Recommendations.** The Governance Committee's current policy is to review and consider any director candidates who have been recommended by shareholders in compliance with the procedures established from time to time by the Governance Committee and set forth in the Governance Committee charter. All shareholder recommendations for director candidates must be submitted to Corporate Clerk at Northeast Bank, 500 Canal Street, Lewiston, ME 04240, who will forward all recommendations to the Governance Committee.

**Board Membership Criteria.** The Governance Committee has established criteria for the Governance Committee-recommended director nominees. These criteria include the following specific, minimum qualifications that the Governance Committee believes must be met by each Governance Committee-recommended nominee for a position on the Board:

- The nominee shall have experience at a strategic or policymaking level in a business, government, non-profit or academic organization of high standing.
- The nominee shall be highly accomplished in his or her respective field, with superior credentials and recognition.
- The nominee shall be well regarded in the community and shall have a long-term reputation for the highest ethical and moral standards.
- The nominee shall have sufficient time and availability to devote to the affairs of the Bank, particularly in light of the number of boards on which the nominee may serve.
- To the extent such nominee serves or has previously served on other boards, the nominee shall have a demonstrated history of actively contributing at board meetings.

In addition to the minimum qualifications for each nominee set forth above, the Governance Committee shall recommend that the Board select persons for nomination to help ensure that:

- A majority of the Board shall be independent under the NASDAQ Listing Rules.
- Each of its Audit, Compensation, Governance and Risk Management Committees shall be comprised entirely of independent directors.
- At least one member of the Audit Committee shall have such experience, education and other qualifications necessary to qualify as an “audit committee financial expert” as defined by the rules of the SEC.

Finally, in addition to any other standards the Governance Committee may deem appropriate from time to time for the overall structure and composition of the Board, the Governance Committee may consider the following factors when recommending that the Board select persons for nomination:

- Whether the nominee has direct experience in the financial services industry or in the markets in which the Bank operates.
- Whether the nominee, if elected, assists in achieving a mix of Board members that represents a diversity of background and experience.

**Identifying and Evaluating Nominees.** The Governance Committee may solicit recommendations for director nominees from any or all of the following sources: non-management directors, the Chief Executive Officer, other executive officers, third-party search firms or any other source it deems appropriate.

The Governance Committee will review and evaluate the qualifications of any proposed director candidate that it is considering or has been recommended to it by a shareholder in compliance with the Governance Committee’s procedures for that purpose, and conduct inquiries it deems appropriate into the background of the proposed director candidates. In identifying and evaluating proposed director candidates, the Governance Committee may consider, in addition to the minimum qualifications for Governance Committee-recommended director nominees, all facts and circumstances that it deems appropriate or advisable, including, among other things, the skills of the proposed director candidate, his or her depth and breadth of business experience, his or her independence and the needs of the Board. Neither the Governance Committee nor the Board has a specific policy with regard to the consideration of diversity in identifying director nominees, although both may consider diversity when identifying and evaluating proposed director candidates. As noted above, the Governance Committee, when recommending director candidates to the full Board for nomination, may consider whether a director candidate, if elected, assists in achieving a mix of Board members that represents a diversity of background and experience. Other than circumstances in which

Northeast may be legally required by contract or otherwise to provide third parties with the ability to nominate directors, the Governance Committee will evaluate all proposed director candidates that it considers or who have been properly recommended to it by a shareholder based on the same criteria and in substantially the same manner, with no regard to the source of the initial recommendation of the proposed director candidate.

### Communications with Directors

The Board of Directors has established a process for shareholders and other interested parties to communicate with the Board or a particular director. A shareholder may send a letter to Northeast Bank, Attention: Corporate Clerk, 500 Canal Street, Lewiston, ME 04240. The mailing envelope should contain a clear notation indicating that the enclosed letter is a “Board communication” or “director communication.” All such letters should state whether the intended recipients are all members of the Board or just certain specified individual directors. The Corporate Clerk will circulate the communications (with the exception of commercial solicitations) to the appropriate director or directors. Communications marked “Confidential” will be forwarded unopened. A log of all correspondence addressed to the directors will be kept for periodic review by the Governance Committee and any other interested director.

### Code of Ethics

The Board has adopted a Code of Ethics that applies to all of the directors, officers and employees, including its principal executive officer, principal financial officer and principal accounting officer. The Bank is committed to the highest standards of ethical and professional conduct, and the Code of Ethics provides guidance on how to uphold these standards. The Code of Ethics consists of basic standards of business practice as well as professional and personal conduct. Any material amendments to, or waivers of, the Code of Ethics (to the extent applicable to the principal executive officer, principal financial officer or principal accounting officer) will be promptly disclosed by the Bank. The Governance Committee has been charged with reviewing and reassessing the adequacy of the Code of Ethics annually and recommending any proposed changes to the Board for approval. The Code of Ethics is available on the Bank’s website under the “Investor Relations” tab at [www.northeastbank.com/about-us](http://www.northeastbank.com/about-us). A copy of this Code of Ethics is also available in print to any shareholder upon written request addressed to Heidi Jacques, Corporate Clerk, 500 Canal Street, Lewiston, Maine 04240.

### Director Compensation

In fiscal 2019, 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 2019:

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, 2019, Mr. Glauber held an option to purchase 21,601 shares of voting common stock.

## **PROPOSAL 1 ELECTION OF DIRECTORS**

### **Introduction**

The Board of Directors consists of seven members divided into three classes: Class I, Class II and Class III. At the 2019 annual meeting, three Class III directors will be elected to serve for a three-year term until the 2022 annual meeting of shareholders and until their respective successors are duly elected and qualified. Following the recommendation of the Governance Committee, the Board has nominated all of the current Class III directors for re-election.

### **Vote Required**

Directors are elected by a plurality of the votes cast by the holders of shares of voting common stock present in person or represented by proxy and entitled to vote on the election of directors at the annual meeting. Votes may be cast for or withheld from each nominee. Votes cast for the nominees will count as “yes” votes. Votes that are withheld from the nominees will not be voted with respect to the director or directors indicated. Withheld votes and broker non-votes will have no effect on the outcome of the director elections.

### **Recommendation**

**The Board of Directors unanimously recommends a vote *FOR* its nominees, John C. Orestis, David A. Tanner, and Judith E. Wallingford. Properly authorized proxies solicited by the Board will be voted *FOR* each of the nominees unless instructions to the contrary are given.**

### **Information Regarding the Nominees, Other Directors and Executive Officers**

The following biographical descriptions set forth certain information with respect to the nominees for election as directors at the annual meeting, each director who is not standing for election and the executive officers who are not directors, based on information furnished to the Bank by each nominee, director and executive officer. Each executive officer holds office until the regular meeting of the Board of Directors following the next annual meeting of shareholders and until his or her successor is duly elected and qualified or until his or her earlier resignation or removal.

The biographical description below for each nominee includes the specific experience, qualifications, attributes and skills that led to the conclusion by the Board of Directors that such person should serve as a director of Northeast. The biographical description of each director who is not standing for election includes the specific experience, qualifications, attributes and skills that the Board of Directors would expect to consider if it were making a conclusion currently as to whether such person should serve as a director. The Board of Directors did not currently evaluate whether these directors should serve as directors, as the terms for which they have been previously elected continue beyond the annual meeting.

#### *Directors with Terms Expiring in 2019*

**John C. Orestis**, 76, has been a director of Northeast and the Bank since 2007. Mr. Orestis has been the owner, Treasurer and Chief Development Officer of Schooner Estates Retirement Community in Auburn, Maine since 2006 as well as the President and Chief Executive Officer of North Country Associates in Lewiston, Maine since 1987. Mr. Orestis received his A.B. from Georgetown University and his Juris Doctorate from American University and was a senior Partner at Skelton, Taintor, Abbott & Orestis, Attorneys from 1968 to 1987, specializing in business and tax law. Mr. Orestis has served on many government and civic organizations throughout Maine, including the Maine Healthcare Association and the Maine Economic Growth Council. Mr. Orestis was the former mayor of the city of Lewiston and is widely recognized by many of the Bank’s customers as having a particular interest in senior citizens by virtue of his substantial investment in senior care. We believe that Mr. Orestis’ qualifications to serve on the Board of Directors include his business and legal experience, and his connections to the Maine community.

**David A. Tanner**, 60, has been a director of Northeast and the Bank since December 29, 2010. He is also the Managing Director of Three Mile Capital LLC, a private investment company. Until June 30, 2017, Mr. Tanner was the Managing Director of Arlon Group LLC, the investment group affiliated with Continental Grain Company, and

served as Executive Vice President and a member of the Management Committee of Continental Grain Company since 2006. Previously, Mr. Tanner served as a Founder and Managing Principal of Quadrangle Group, LLC from 2000 to 2006; Managing Director at Lazard Freres & Co. and Managing Principal at Lazard Capital Partners from 1998 to 2000; and Managing Director at Warburg Pincus LLC, with which he was associated from 1986-1997. Mr. Tanner serves on the Boards of Directors of Wholesome Sweeteners, Inc., The Coastal Companies and White Mountains Insurance Group, Ltd. Mr. Tanner is also the Chairman of the Board of Trustees of New York University School of Law, is a Trustee of New York University, a Trustee and Chairman Emeritus of Montefiore Medicine Academic Health System, Director of Lawyers for Children, Trustee of Central Synagogue, Director of The Carroll and Milton Petrie Foundation and member of the Council on Foreign Relations. Mr. Tanner received his Bachelor of Arts degree with honors in History from Princeton University, his Diploma of Economics from the London School of Economics, and his Juris Doctor from the New York University School of Law. We believe that Mr. Tanner's qualifications to serve on the Board of Directors include his extensive experience in executive leadership, strategic planning and corporate governance.

**Judith E. Wallingford**, 63, has been a director of the Bank since 1994. Ms. Wallingford is the retired President of The Maine Water Company, a water utility serving various communities in Maine, and prior to that served as Treasurer and Controller for Consumers Water Company. Ms. Wallingford joined the Board as a result of Northeast's acquisition of Brunswick Federal Savings, F.A. Ms. Wallingford is a Certified Management Accountant and holds a BA from Bowdoin College. We believe that Ms. Wallingford's qualifications to serve on the Board of Directors include her knowledge of executive management, finance and accounting, and general business acumen.

#### *Directors with Terms Expiring in 2020*

**Robert R. Glauber**, 80, has been a director of the Bank since December 29, 2010. He is also a Lecturer at Harvard's Kennedy School of Government and was a Visiting Professor at Harvard Law School in 2007 and 2009. Mr. Glauber served as Chairman and Chief Executive Officer of the National Association of Securities Dealers ("NASD"), now the Financial Industry Regulatory Authority ("FINRA"), the private-sector regulator of the U.S. securities markets from September 2001 to September 2006, after becoming NASD's Chief Executive Officer in November 2000. Prior to becoming an officer at NASD, Mr. Glauber was a Lecturer at the Kennedy School from 1992 until 2000, Under Secretary of the Treasury for Finance from 1989 to 1992 and a Professor of Finance at the Harvard Business School for 25 years. From 1987 to 1988, Mr. Glauber served as Executive Director of the Task Force ("Brady Commission") appointed by President Reagan to report on the 1987 stock market crash. Mr. Glauber presently is a director of the Metropolitan Opera Guild, and an overseer of the Boston Symphony Orchestra. He has been a Senior Advisor at Peter J. Solomon Co., an investment bank, since November 2006. Mr. Glauber graduated from Harvard College and received his doctorate from Harvard Business School. We believe that Mr. Glauber's qualifications to serve on the Board of Directors include his extensive experience relating to finance, corporate governance and management.

**Richard Wayne**, 67, has been the President and Chief Executive Officer and a director of the Bank since December 29, 2010. He co-founded Capital Crossing Bank (formerly known as Atlantic Bank) located in Boston, Massachusetts in 1988. He served as President and Co-Chief Executive Officer from 1991 until its sale in February 2007. Mr. Wayne holds a B.S. in Accounting from Syracuse University, a J.D. from Suffolk University Law School, and a Masters in Taxation from Boston University School of Law. We believe that Mr. Wayne's qualifications to serve on the Board of Directors include his demonstrated experience in executive leadership, management and banking.

#### *Directors with Terms Expiring 2021*

**Matthew B. Botein**, 46, has been a director of the Bank since December 29, 2010. He is Co-founder and Managing Partner of Gallatin Point Capital LLC ("GPC"). Prior to founding GPC, Mr. Botein was co-head and Chief Investment Officer of BlackRock Alternative Investors, the alternative investing unit of asset manager BlackRock Inc. Prior to his role at BlackRock, he was a partner at hedge fund Highfields Capital Management and a principal in the private equity department of The Blackstone Group. He has been instrumental in the formation, acquisition or development of numerous financial services enterprises, including PennyMac Financial Services Inc., Aspen Insurance Holdings Limited, ABR Reinsurance Limited, Home Partners of America, and Cyrus Reinsurance Limited. Mr. Botein currently serves on the Boards of PennyMac, Hunt Capital Holdings LLC, and Fortuna Holdings Ltd., as a strategic advisor to technology-enabled real estate investment platform Cadre Inc., and as a

Senior Advisor to BlackRock Inc. He also serves as a trustee of Boston Medical Center and Beth Israel Deaconess Medical Center and on the investment committee of both institutions, chairing that of Boston Medical Center. He has served on the Advisory Committee on Corporate Social Responsibility for Harvard University. He is a Phi Beta Kappa graduate of Harvard College and the Harvard Business School, where he was awarded Baker and Loeb scholarships. We believe that Mr. Botein's qualifications to serve on the Board of Directors include his extensive experience relating to finance, strategic planning and executive leadership.

**Cheryl Lynn Dorsey**, 56, has been a director of the Bank since December 29, 2010. She has also been the President of Echoing Green, a global nonprofit that sparks transformative social change by investing in emerging social entrepreneurs and their bold ideas to build a more equitable world, since May 2002. Ms. Dorsey served as a White House Fellow from 1997 to 1998, serving as Special Assistant to the U.S. Secretary of Labor, advising the Clinton Administration on health care and other issues. She was later named Special Assistant to the Director of the Women's Bureau of the U.S. Labor Department, where she helped develop family-friendly workplace policies and spearheaded the labor secretary's pay equity initiative. From 2009-2016, she was the Vice-Chair of the President's Commission on White House Fellowships, after serving as a team member of the Innovation and Civil Society subgroup of the Obama Presidential Transition's Technology, Innovation, and Government Reform Policy Working Group. She was named one of "America's Best Leaders" in 2009 by U.S. News & World Report and the Center for Public Leadership at the John F. Kennedy School of Government at Harvard University. Ms. Dorsey serves on the Harvard University Board of Overseers and the SEED Foundation. She is a 2006 Henry Crown Fellow through the Aspen Institute, a 2007 Prime Movers Fellow through the Hunt Alternatives Fund, and a member of the John F. Kennedy School of Government's Visiting Committee. She holds a B.A. in History and Science from Harvard-Radcliffe Colleges, an M.D. from the Harvard Medical School and an M.P.P. from the John F. Kennedy School of Government. We believe that Ms. Dorsey's qualifications to serve on the Board of Directors include her extensive experience in executive leadership, management and strategic planning.

#### *Executive Officers who are not Directors*

**Brian Pinheiro**, 37, has been the Chief Risk Officer of the Bank since March 2015. Prior to joining Northeast Bank, Mr. Pinheiro served as Managing Director at Corporate Finance Group, Inc. (CFGF) from 2011 to 2015, where he provided consulting services to financial institutions and banking clients. Before his position at CFGF, he was an Audit Manager in the Financial Services practice at Deloitte LLP, Boston. Mr. Pinheiro received a B.S. and M.S. in Accountancy from the University of Massachusetts at Amherst. He is a Certified Public Accountant licensed in the Commonwealth of Massachusetts.

**Jean-Pierre Lapointe**, 37, has been the Chief Financial Officer of the Bank since November 2017. Prior to joining Northeast Bank, Mr. Lapointe served as a Senior Audit Manager at Wolf & Company, P.C. in their external and internal audit practices, with a focus on the financial services sector from 2004 to October 2017. Mr. Lapointe is a certified public accountant and received a B.S. and a M.S. in Accountancy from Bentley University and Western New England University, respectively.

**Patrick Dignan**, 56, has been the Executive Vice President of the Bank since fiscal 2016 and with the Bank since 2010. He is responsible for developing new lending opportunities and ensuring sound credit quality throughout all business lines. Prior to joining the Bank in 2010, Mr. Dignan was a Senior Vice President with Capital Crossing Servicing Company, and previously with Capital Crossing, a Division of Lehman Brothers Bank, and Capital Crossing Bank. Mr. Dignan holds a B.A. in Philosophy from St. John's College, is a Fellow of the Royal Institute of Chartered Surveyors, and a member of the Counselors of Real Estate.

**Julie Jenkins**, 56, has been the Senior Vice President and Director of Operations since July 2012. She is responsible for the oversight of Loan Servicing, Deposit Operations, Project Management, Information Technology and Customer Contact Center departments of the Bank. Prior to becoming Director of Operations, from May 2011 to July 2012, Ms. Jenkins was the Director of eBanking Strategic Initiatives. Prior to joining the Bank, Ms. Jenkins was at Santander Bank, where she led a team of internal consultants for its parent, Banco Santander, who were responsible for planning, organizing and implementing enterprise-wide new technology systems for the company. Ms. Jenkins has held senior operations and technology management positions at Mt. Washington Bank and Abington Savings Bank. Ms. Jenkins earned her B.A. in Management from Assumption College in Worcester, Massachusetts.



## EXECUTIVE COMPENSATION

### Introduction

This section describes the Bank's executive compensation philosophy, programs and policies for fiscal 2019, and sets forth how the Compensation Committee of the Board of Directors of the Bank determined fiscal 2019 compensation for the following named executive officers of the Bank:

- Richard Wayne, President and Chief Executive Officer;
- Patrick Dignan, Executive Vice President; and
- Julie Jenkins, Senior Vice President, Director of Operations.

### 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 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 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>	2019	\$ 600,000	\$ 672,000	\$ 525,000	\$ 15,316	\$ 1,812,316
President & Chief Executive Officer	2018	600,000	—	400,000	14,957	1,014,957
<b>Patrick Dignan</b>	2019	400,000	448,000	400,000	18,537	1,266,537
Executive Vice President	2018	400,000	—	300,000	17,295	717,295
<b>Julie Jenkins</b>	2019	250,000	123,200	137,500	9,679	520,379
Senior Vice President, Director of Operations	2018	225,000	—	125,000	8,196	357,205

- (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 2019 Annual Report on Form 10-K.
- (2) 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 \$2,193 for Ms. Jenkins; (ii) matching 401k contributions: \$8,458 for Mr. Wayne, \$8,250 for Mr. Dignan and \$7,486 for Ms. Jenkins; (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 2019 and fiscal 2018 are as follows:

Named Executive Officer	Base Salary FY2019 (\$)	Base Salary FY2018 (\$)	Percent Increase
Richard Wayne	600,000	600,000	0%
Patrick Dignan	400,000	400,000	0%
Julie Jenkins	250,000	225,000	11%

#### *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. For fiscal 2019, the Compensation Committee determined to award the following cash bonus amounts with respect to fiscal 2019 performance:

Named Executive Officer	FY2019 Bonus (\$)
Richard Wayne	525,000
Patrick Dignan	400,000
Julie Jenkins	137,500

### *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 August 2016, Mr. Wayne was granted 15,000 restricted shares that fully vest on August 25, 2019, subject to his continued employment through that date, and 50,000 restricted shares that are performance-based (the "2016 Performance Shares"). The 2016 Performance Shares are subject to performance-based vesting over a three-year performance period (the "performance period"). The 2016 Performance Shares include an absolute metric and a sliding metric within the performance period. The absolute metric requires that in order for Mr. Wayne to be eligible to vest in the 2016 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 connection with the 2010 merger of FHB Formation LLC and the Bank, and neither the Bank is not subject to any written agreement, Board resolution, memorandum of understanding or consent with any regulatory agency. Once it has been determined that the absolute metric has been met, Mr. Wayne will vest in the 2016 Performance Shares based on reaching certain thresholds in regards to the Bank's return on equity ("ROE"). For the 2016 Performance Shares, the ROE targets and vesting schedule are as follows:

	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
FY17	8.67%	—	5,000	7,500	10,000
FY18	11.60%	—	5,000	7,500	10,000
FY19	13.30%	—	5,000	7,500	10,000
3 Year Cumulative	11.17%	—	10,000	15,000	20,000

The Bank achieved an ROE of 10.62% and 12.47% for each of fiscal 2017 and fiscal 2018, respectively. Accordingly, the Bank exceeded the ROE targets for each of fiscal 2017 and fiscal 2018, and Mr. Wayne has vested in an aggregate of 20,000 of the 2016 Performance Shares.

In fiscal 2019, the Bank recognized \$6.4 million of non-recurring expenses (after tax) as a result of the merger of Northeast Bancorp with and into Northeast Bank, which affected the ROE calculation. As a result, the Bank had ROE of 9.42%, and operating ROE of 13.74%, excluding the effects of the corporate reorganization. The Compensation Committee voted to modify the award target to use operating ROE to adjust the share vesting from 5,000 shares to 10,000 shares to exclude the effects of the corporate reorganization. The 3-year cumulative was not modified. As a result, Mr. Wayne has vested an aggregate of 50,000 of the 2016 Performance Shares.

In August 2018, Mr. Wayne was granted 15,000 restricted shares, Mr. Dignan was granted 10,000 restricted shares, and Ms. Jenkins was granted 5,500 restricted shares, all of which vest in three equal annual installments, commencing on August 14, 2021.

Additionally in fiscal 2019, Messrs. Wayne and Dignan were granted 15,000 and 10,000 restricted shares that are performance-based (the "2018 Performance Shares"). The 2018 Performance Shares are 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 requires 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. Once it has been determined that the absolute metric has been met, Messrs. Wayne and Dignan will vest in the 2018 Performance Shares based on reaching certain thresholds in regards to the Bank's ROE. The ROE targets and vesting schedule are as follows:

**Richard Wayne**

	<u>ROE Target</u>	<u>Shares vested: &lt;70% ROE Target</u>	<u>Shares vested: 70% - &lt;80% ROE Target</u>	<u>Shares vested: 80% - &lt;90% ROE Target</u>	<u>Shares vested: 90% - 100% ROE Target</u>
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**

	<u>ROE Target</u>	<u>Shares vested: &lt;70% ROE Target</u>	<u>Shares vested: 70% - &lt;80% ROE Target</u>	<u>Shares vested: 80% - &lt;90% ROE Target</u>	<u>Shares vested: 90% - 100% ROE Target</u>
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

In fiscal 2019, the Bank recognized \$6.4 million of non-recurring expenses (after tax) as a result of the corporate reorganization. As a result, the Bank had ROE of 9.42% and operating ROE of 13.74%, excluding the effects of the corporate reorganization. The agreements for the 2018 Performance Shares explicitly stated that the ROE used for the target comparison would exclude the effects of a corporate reorganization. As a result, Mr. Wayne has vested an aggregate of 3,000 of the 2018 Performance Shares and Mr. Dignan has vested an aggregate of 2,000 of the 2018 Performance Shares.

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 2016 Performance Shares or 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, 2019

The following table shows the outstanding equity awards held by the Bank's named executive officers as of June 30, 2019:

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	—	—	—	—	
	—	—	—	—	—	43,334(1)	1,195,152	45,000(5)	1,241,100	
Patrick Dignan	21,601	—	—	13.93	12/29/2020	—	—	—	—	
	33,059	—	—	9.38	1/31/2023	—	—	—	—	
	—	—	—	—	—	54,999(2)	1,516,872	10,000(6)	275,800	
Julie Jenkins	2,755	—	—	9.38	1/31/2023	—	—	—	—	
	—	—	—	—	—	20,501(3)	565,418	—	—	

(1) 13,334 shares of restricted stock vest in one remaining installment on December 19, 2019; 15,000 shares of restricted stock vested in full on August 25, 2019; and 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 August 21, 2019; 13,333 shares of restricted stock vest in two remaining installments, commencing on September 21, 2019; 25,000 shares of restricted stock vest in three equal installments, commencing on August 25, 2019; and 10,000 shares of restricted stock vest in three equal installments, commencing on August 14, 2021.

- (3) 1,667 shares of restricted stock vest in one remaining installment on August 21, 2019; 3,334 shares of restricted stock vest in two remaining installments, commencing on September 21, 2019; 10,000 shares of restricted stock vest in three equal installments, commencing 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 common stock on June 30, 2019 of \$27.58 per share.
- (5) In August 2016, Mr. Wayne was granted 50,000 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 2019, 30,000 shares of restricted stock vested upon satisfaction of the applicable performance-based criteria, as well the modification of the award in July 2019 as a result of the corporate reorganization, which was approved by the Compensation Committee.  
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 2019, 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 2019, 2,000 shares of restricted stock vested upon satisfaction of the applicable performance-based criteria.

**PROPOSAL 2**  
**ADVISORY, NON-BINDING VOTE ON NAMED EXECUTIVE OFFICER COMPENSATION**

We are providing our Voting Shareholders the opportunity to vote to approve, on an advisory, non-binding basis, the compensation of our named executive officers as disclosed in this proxy statement in accordance with the SEC's rules.

Our executive compensation programs and policies are designed to attract, motivate and retain executive talent, and are aligned with the long-term interests of our shareholders. Please see the section titled "*Executive Compensation*" for a detailed discussion of our executive compensation programs. We believe that the effectiveness of our compensation programs is demonstrated by the accomplishments of management in executing the Bank's business plan over the last fiscal year.

The Board of Directors recommends that Voting Shareholders vote in favor of the following resolution:

"RESOLVED, that the compensation of Northeast's named executive officers, as disclosed pursuant to Item 402 of Regulation S-K, including the Executive Compensation section, the compensation tables and narrative discussion, be approved."

The resolution that is the subject of this proposal will not have any binding legal effect regardless of whether or not it is approved, and may not be construed as overruling a decision by the Bank or the Board or creating or implying any change to the fiduciary duties of the Board. However, the Compensation Committee intends to take the results of the vote on this proposal into account in its future decisions regarding the compensation of the Bank's named executive officers.

**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 3  
RATIFICATION OF APPOINTMENT OF INDEPENDENT REGISTERED PUBLIC  
ACCOUNTING FIRM**

The Audit Committee of the Board of Directors has selected and appointed RSM US LLP as our independent registered public accounting firm to audit our consolidated financial statements for the year ending June 30, 2020. Although ratification by Voting Shareholders is not required by law or by our bylaws, the Audit Committee believes that submission of its selection to Voting Shareholders is a matter of good corporate governance. Even if the appointment is ratified, the Audit Committee, in its discretion, may select a different independent registered public accounting firm at any time if the Audit Committee believes that such a change would be in the best interests of Northeast. If our Voting Shareholders do not ratify the appointment of RSM US LLP, the Audit Committee will take that fact into consideration, together with such other factors it deems relevant, in determining its next selection of independent auditors.

It is anticipated that a representative of RSM US LLP will attend the annual meeting of shareholders, will have an opportunity to make a statement if he or she desires to do so and will be available to respond to appropriate questions.

**Fees**

Aggregate fees for professional services rendered by RSM US LLP for the years ended June 30, 2019 and 2018, respectively, were as follows:

	2019	2018
Audit Fees(1)	\$ 351,953	\$ 369,617
Audit-Related Fees(2)	16,800	13,520
Tax Fees(3)	147,758	114,733
All Other Fees	-	-
<b>Total</b>	<b>\$ 516,511</b>	<b>\$ 497,870</b>

(1) Includes fees for the financial statement audit of the Bank, quarterly reviews, regulatory audit requirements, and out-of-pocket expenses.

(2) Consists of fees related to the audit of the Bank's employee benefit plan and agreed upon procedures for regulatory requirements.

(3) Consists of tax return preparation and tax-related compliance and services.

*Auditor Fees Policy*

The Audit Committee has approved a policy concerning the pre-approval of audit and non-audit services to be provided by RSM US LLP, our previous independent registered public accounting firm. The policy requires that all services provided by RSM US LLP to us, including audit services, audit-related services, tax services and other services, must be pre-approved by the Audit Committee; provided, however, the pre-approval requirement is waived with respect to the provision of non-audit services for the Bank if the "de minimis" provisions of Section 10A(i)(1)(B) of the Exchange Act are satisfied. This authority to pre-approve non-audit services may be delegated to one or more members of the Audit Committee, who shall present all decisions to pre-approve an activity to the full Audit Committee at its first meeting following such decision.

The Audit Committee approved all audit and non-audit services provided to us for fiscal 2019 and 2018.

**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.**

### **AUDIT COMMITTEE REPORT**

The members of the Audit Committee of the Board of Directors of Northeast submit this report in connection with the committee's review of the financial reports for the fiscal year ended June 30, 2019 as follows:

1. The Audit Committee has reviewed and discussed with management the audited financial statements for Northeast Bank for the fiscal year ended June 30, 2019.
2. The Audit Committee has discussed with representatives of RSM US LLP the matters required to be discussed by Public Company Accounting Oversight Board AU Section 380, *Communication with Audit Committees*, as currently in effect.
3. The Audit Committee has received the written disclosures and the letter from the independent accountant required by the applicable requirements of the Public Company Accounting Oversight Board regarding the independent accountant's communications with the Audit Committee concerning independence, and has discussed with the independent accountant the independent accountant's independence.

Based on the review and discussions referred to above, the Audit Committee recommended to the Board of Directors that the audited financial statements be included in the Bank's Annual Report on Form 10-K for the fiscal year ended June 30, 2019 for filing with the FDIC.

The Audit Committee operates pursuant to a charter that was approved by our Board of Directors. A copy of the Audit Committee Charter is available on the Bank's website under the "Investor Relations" tab at [www.northeastbank.com/about-us](http://www.northeastbank.com/about-us).

*Submitted by the Audit Committee:*

Judith E. Wallingford, Chair  
Cheryl Lynn Dorsey  
John C. Orestis

## EQUITY PLAN COMPENSATION INFORMATION

The following table provides information as of June 30, 2019 regarding shares of common stock that may be issued under the Bank's equity compensation plans, consisting of the Amended and Restated 2010 Stock Option and Incentive Plan.

Plan category	<u>Equity Compensation Plan Information</u>		
	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:	421,437	\$ 12.57	22,424
Equity compensation plans not approved by security holders:	N/A	N/A	N/A
<b>Total</b>	<b>421,437</b>	<b>\$ 12.57</b>	<b>22,424</b>

## SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

The table below sets forth, as of September 18, 2019, the number of shares of our voting common stock that were owned beneficially by:

- Each person who is known by us to beneficially own more than 5% of our common stock;
- Each director;
- Each named executive officer; and
- All of our directors and executive officers as a group.

Unless otherwise indicated, the address of each of the individuals listed in the table is c/o Northeast Bank, 500 Canal Street, Lewiston, Maine 04240.

Name of Beneficial Owner	Amount and Nature of Beneficial Ownership Number of Shares(1)	Percent of Class(1)(2)
<b>Directors and Certain Executive Officers</b>		
Robert Glauber	81,314(3)	*
Matthew Botein	62,500	*
Cheryl Dorsey	—	—
John Orestis	60,000	*
David Tanner	10,000	*
Judith Wallingford	25,000	*
Richard Wayne	737,596(4)	8.20%
Patrick Dignan	151,187(5)	1.68%
Julie Jenkins	24,750(6)	*
All directors and executive officers as a group (11 persons)	1,175,838(7)	13.07%
<b>Other Beneficial Holders</b>		
Castine Capital Management, LLC (8) One Financial Center, 24th Floor Boston, Massachusetts 02111	879,790	9.78%

\* Less than 1%

- (1) Beneficial ownership is determined in accordance with the rules of the SEC, and includes voting and investment power with respect to shares. Pursuant to the rules of the SEC, the number of shares of voting common stock deemed outstanding includes shares issuable pursuant to options and warrants held by the respective person or group that may be exercised within 60 days of September 18, 2019.
- (2) The total number of shares of voting common stock outstanding as of September 18, 2019 was 8,997,558.
- (3) Includes options to purchase 21,601 shares of common stock exercisable within 60 days of September 18, 2019.
- (4) Includes 97,202 shares held by the Richard Wayne Irrevocable Trust u/a/d April 24, 1998 and 279,855 shares held by the Richard Wayne Revocable Trust. Also includes options to purchase 287,205 shares of common stock exercisable within 60 days of September 18, 2019.
- (5) Includes options to purchase 54,660 shares of common stock exercisable within 60 days of September 18, 2019.
- (6) Includes options to purchase 2,755 shares of common stock exercisable within 60 days of September 18, 2019.

- (7) Includes options to purchase 366,221 shares of common stock exercisable within 60 days of September 18, 2019.
- (8) With respect to information relating to Castine Capital Management, LLC, we have relied, in part, on information supplied on Form 13F-HR filed with the SEC on August 13, 2019, by Castine Capital Management, LLC, Castine Offshore Fund, Ltd., Castine Partners II, L.P. and Paul Magidson.

## **SECTION 16(A) BENEFICIAL OWNERSHIP REPORTING COMPLIANCE**

Section 16(a) of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), requires the executive officers and directors, and persons who own more than ten percent of a registered class of Northeast’s equity securities, to file reports of ownership and changes in ownership with the SEC. Officers, directors and greater than ten percent beneficial owners are required by SEC regulations to furnish Northeast with copies of all Section 16(a) forms they file. To our knowledge, based solely on our review of the copies of such reports furnished to us and written representations that no other reports were required during fiscal 2019, all Section 16(a) filing requirements applicable to our executive officers, directors and greater than ten percent beneficial owners were timely satisfied.

## **CERTAIN RELATIONSHIPS AND RELATED PERSON TRANSACTIONS**

The Banks’s Code of Ethics provides guidance on transactions with related persons. Any transaction with a related person must be reviewed and approved by the full Board and determined to be “arm’s length.” John C. Orestis, who is a member of our Board of Directors, and his affiliates have two loans for approximately \$107 thousand with the Bank. All of the loans were current as of June 30, 2019. All loans were made in the ordinary course of business under normal credit terms, including interest rates and collateral requirements prevailing at the time of origination for comparable transactions with other persons, and do not represent more than normal credit risk.

## **OTHER MATTERS**

As of the date of this proxy statement, our Board of Directors knows of no matters that will be presented for consideration at the annual meeting other than as described in this proxy statement. If any other matters properly come before the annual 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 common stock.

### **Shareholder Proposals for 2020 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 3, 2020 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, 500 Canal Street, Lewiston, Maine 04240.

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 15, 2020 nor later than August 16, 2020; 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 of Directors 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, 500 Canal Street, Lewiston, Maine 04240.

#### **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).



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

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



**Votes submitted electronically must be received by 3:00 a.m., EST, on November 12, 2019.**

**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.



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

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 2019 Annual 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** all the nominees listed and **FOR** Proposals 2 and 3.

1. To elect the three nominees named in the proxy statement as Class III directors, each to serve for a three-year term and until their respective successors are duly elected and qualified:

	<b>For</b>	<b>Withhold</b>		<b>For</b>	<b>Withhold</b>		<b>For</b>	<b>Withhold</b>
01 - John C. Orestis	<input type="checkbox"/>	<input type="checkbox"/>	02 - David A. Tanner	<input type="checkbox"/>	<input type="checkbox"/>	03 - Judith E. Wallingford	<input type="checkbox"/>	<input type="checkbox"/>

2. To approve, on an advisory, non-binding basis, the compensation of our named executive officers.

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

3. To ratify the appointment of RSM US LLP as our independent registered public accounting firm for the fiscal year ending June 30, 2020.

**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.

/ /

Signature 1 – Please keep signature within the box.

Signature 2 – Please keep signature within the box.

3 2 B V

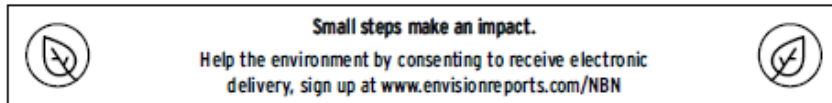
## 2019 Annual Meeting Admission Ticket

2019 Annual Meeting of Northeast Bank Shareholders  
Tuesday, November 12, 2019, 10:00 a.m., Eastern Time  
The offices of Goodwin Procter LLP  
100 Northern Avenue, Boston, Massachusetts 02210

Upon arrival, please present this admission ticket and photo identification at the registration desk.

Directions to the Northeast Bank annual meeting can be viewed at  
[www.edocumentview.com/NBN](http://www.edocumentview.com/NBN)

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



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

### Proxy – Northeast Bank



#### Notice of 2019 Annual Meeting of Shareholders

##### Proxy Solicited by Board of Directors for Annual Meeting – November 12, 2019

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 Annual Meeting of Shareholders of Northeast Bank to be held on November 12, 2019 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 each of the nominees for director listed in Proposal 1 and FOR Proposals 2 and 3.

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.

