

Howard Bancorp Inc  
Form DEF 14A  
April 11, 2019

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UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549  
SCHEDULE 14A INFORMATION

Proxy Statement Pursuant to Section 14(a) of the  
Securities Exchange Act of 1934  
Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

Preliminary Proxy Statement

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

Definitive Proxy Statement

Definitive Additional Materials

Soliciting Material Pursuant to §240.14a-12

Howard Bancorp, Inc.

(Name of Registrant as Specified In Its Charter)

(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:

(2)

Aggregate number of securities to which transaction applies:

(3)

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

(4)

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Total fee paid:

Fee paid previously with preliminary materials.

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

(1)

Amount previously paid:

(2)

Form, Schedule or Registration Statement No.:

(3)

Filing party:

(4)

Date Filed:

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3301 BOSTON STREET

BALTIMORE, MARYLAND 21224

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS

TO BE HELD ON WEDNESDAY, MAY 22, 2019, AT 11:30 A.M.

The Annual Meeting of Stockholders (the “Meeting”) of Howard Bancorp, Inc. (“Howard” or the “Company”) will be held on Wednesday, May 22, 2019 at 11:30 a.m. (local time) at the corporate offices of Howard located at 3301 Boston Street, Baltimore, MD 21224, to consider and act upon the following matters:

1.

To elect five Class II directors to serve for a three-year term expiring at the Annual Meeting of Stockholders in 2022 and until their successors are elected and qualify;

2.

To approve an amendment to Howard’s Articles of Incorporation, as amended (the “Charter”), to allow stockholders of Howard to amend Howard’s Amended and Restated Bylaws;

3.

To approve amendments to the Charter to change the current super-majority vote requirement to amend certain sections of the Charter to a majority vote standard;

4.

To approve a non-binding advisory proposal to approve the compensation of Howard’s named executive officers;

5.

To approve a non-binding advisory proposal regarding the frequency of stockholder advisory vote on executive compensation;

6.

To ratify the appointment of Dixon Hughes Goodman LLP as the independent registered public accounting firm to audit Howard’s financial statements for 2019; and

7.

To transact any other business that may properly come before the meeting or any adjournment or postponement of the meeting.

Any action may be taken on the foregoing at the meeting on the date specified above or on any date or dates to which the Meeting may be adjourned. Only stockholders of record as of the close of business on March 28, 2019 are entitled to notice of and to vote at the meeting or any adjournment or postponement of the Meeting.

You are requested to vote promptly by Internet, telephone or by completing, signing, and mailing the enclosed proxy card regardless of whether you expect to attend the Meeting. If you are present at the Meeting, you may vote in person even if you already have sent in your proxy.

If you have questions pertaining to the foregoing, please contact the Company at (410) 750-0020.

By Order of the Board of Directors

/s/ Charles E. Schwabe

Charles E. Schwabe, Corporate Secretary

April 11, 2019

This proxy statement is first being sent to the stockholders of Howard on or about April 11, 2019.

**IMPORTANT NOTICE REGARDING THE AVAILABILITY OF PROXY MATERIALS FOR THE ANNUAL MEETING OF STOCKHOLDERS OF HOWARD TO BE HELD ON MAY 22, 2019:** The Proxy Statement, proxy card and Annual Report on 10-K for the year ended December 31, 2018 are available at [www.howardbank.com](http://www.howardbank.com).

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3301 BOSTON STREET  
BALTIMORE, MARYLAND 21224

ANNUAL MEETING OF STOCKHOLDERS  
PROXY STATEMENT

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### GENERAL INFORMATION

#### Introduction

Howard Bancorp, Inc. (“Howard” or the “Company”) is holding its 2019 Annual Meeting of Stockholders (the “Meeting”) on Wednesday, May 22, 2019. This proxy statement is being sent on or about April 11, 2019, in connection with the solicitation by the Board of Directors of Howard (the “Board of Directors” or the “Board”) of proxies to be voted at the Meeting and at any adjournment or postponement thereof.

Howard is furnishing this proxy statement over the Internet to most stockholders. These stockholders will not receive printed copies of the proxy statement and proxy card, and instead will receive a Notice of Internet Availability (the “Notice”) containing instructions on how to access the proxy materials over the Internet. In addition, the Notice contains instructions on how to request proxy materials in printed form by mail or electronically on an ongoing basis. This process has allowed Howard to expedite its stockholders’ receipt of proxy materials, lower the costs of distribution and reduce the environmental impact of the Meeting.

#### Meeting Location, Date and Time

The Meeting will be held at Howard’s Corporate Offices located at 3301 Boston Street, Baltimore, Maryland, on Wednesday, May 22, 2019, at 11:30 a.m. To obtain directions to attend the meeting, contact the Secretary at (410) 750-0020.

#### Stockholders Entitled to Vote

Stockholders of record at the close of business on March 28, 2019 (the “record date”), are entitled to notice of and to vote at the Meeting in person or by proxy. On the record date, Howard had outstanding 19,059,485 shares of common stock.

#### Purpose of the Meeting

The Meeting is being held to consider and act upon the following proposals:

- To elect five Class II directors to serve for a three-year term expiring at the Annual Meeting of Stockholders in 2022 and until their successors are elected and qualify (the “election of directors”);
- To approve an amendment to Howard’s Articles of Incorporation, as amended (the “Charter”), to allow the Company’s stockholders to amend Howard’s Amended and Restated Bylaws (the “Bylaws”) (the “stockholder charter bylaw amendment proposal”);
- To approve amendments to the Charter to change the current super-majority vote requirement to amend certain sections of the Charter to a majority vote standard (the “charter vote standard amendment proposal”);
- To approve a non-binding advisory proposal to approve the compensation of Howard’s named executive officers (the “executive compensation proposal”);
- To approve a non-binding advisory proposal regarding the frequency of stockholder advisory vote on executive compensation (the “frequency proposal”); and
- To ratify the appointment of Dixon Hughes Goodman LLP (“Dixon Hughes Goodman”) as the independent registered public accounting firm to audit the Company’s financial statements for 2019 (the “auditor proposal”).

The Board of Directors recommends a vote “FOR” each of the director nominees named in this proxy statement, “FOR” the stockholder charter bylaw amendment proposal, “FOR” the charter vote standard amendment proposal, “FOR” the executive compensation proposal, “FOR” the auditor proposal and in favor a frequency of “EVERY YEAR” for the



stockholder advisory vote on executive compensation.

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Required Vote

The presence, whether in person or through proxy, of the holders of record of a majority of the shares of the capital stock of the Company issued and outstanding and entitled to vote at the Meeting constitutes a quorum to transact business at the Meeting. Each share is entitled to one vote on each proposal.

The required vote for each proposal is as follows:

- Directors will be elected by the affirmative vote of a plurality of the shares cast at the Meeting.
  
- The approval of the stockholder charter bylaw amendment proposal requires the affirmative vote, cast in person or by proxy, of the holders of record of at least 80% of the shares of the capital stock of the Company entitled to vote on thereon.
  
- The approval of the charter vote standard amendment proposal requires the affirmative vote, cast in person or by proxy, of the holders of record of at least 80% of the shares of the capital stock of the Company entitled to vote on thereon.
  
- The approval of the executive compensation proposal requires the affirmative vote of holders of a majority of the votes cast on the proposal by Howard stockholders at the Meeting.
  
- With respect to the frequency proposal, the option of every year, every two years or every three years that receives a majority of the votes cast by Howard stockholders at the Meeting will be the frequency for the stockholder advisory vote on executive compensation that has been recommended the stockholders.
  
- The ratification of the auditor proposal requires the affirmative vote of holders of a majority of the votes cast on the proposal by Howard stockholders at the Meeting.

While abstentions and broker non-votes are counted as shares present at the meeting for purposes of determining a quorum, they are not otherwise counted and, therefore, will have no effect on the outcome of the election of directors, the executive compensation proposal, the frequency proposal or the auditor proposal. Abstentions and broker non-votes will have the same effect as a vote against the stockholder charter bylaw amendment proposal and the charter vote standard amendment proposal (collectively, the “charter amendment proposals”).

Applicable rules determine whether proposals presented at stockholder meetings are considered routine or non-routine. If a proposal is considered routine, a bank, broker or other holder of record which holds shares for an owner in street name generally may vote on the proposal without receiving voting instructions from the beneficial owner. If a proposal is non-routine, the bank, broker or other holder of record generally may vote on the proposal only if the beneficial owner has provided voting instructions. A “broker non-vote” occurs when a broker or other entity returns a signed proxy card but does not vote shares on a particular proposal because the proposal is not a routine matter and the broker or other entity has not received voting instructions from the beneficial owner of the shares. The ratification of the selection of Dixon Hughes Goodman as independent auditor is considered a routine matter, while the other proposals, i.e., the election of directors, the charter amendment proposals, the executive compensation proposal and the frequency proposal, are considered non-routine matters.

All valid proxies received by Howard will be voted in accordance with the instructions indicated in such proxies. As noted above, if you hold your shares through a bank, broker or other holder of record and you do not give voting instructions, your bank, broker or other record holder of the shares is not permitted to vote your shares on any proposal other than the auditor proposal, which is the only routine proposal on the agenda. If no instructions are

indicated in an otherwise properly executed proxy, it will be voted “FOR” each of the director nominees named in this proxy statement, “FOR” the stockholder charter bylaw amendment proposal, “FOR” the charter vote standard amendment proposal, “FOR” the executive compensation proposal, “FOR” the auditor proposal, in favor of a frequency of “EVERY YEAR” for the stockholder advisory vote on executive compensation and on all other matters in accordance with the recommendations of the Board.

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How to Vote

Stockholders of record can vote in person at the Meeting or by proxy without attending the Meeting. To vote by proxy:

(1)

Vote by Internet (instructions are on the Notice or the proxy card),

(2)

Vote by telephone (instructions are on the Notice or on the proxy card), or

(2)

If you received a printed copy of this proxy statement, complete the enclosed proxy card and sign, date and return it in the enclosed postage-paid envelope.

If you hold your shares through a bank, broker or other holder of record, your bank, broker or agent will provide you with materials and instructions for voting your shares. If you hold your shares through a bank, broker or other holder of record, and you plan to vote in person at the Meeting, you should contact your bank, broker or agent to obtain a legal proxy or broker's proxy card and bring it to the meeting in order to vote in person.

You will receive multiple Notices or printed copies of the proxy materials if you hold your shares in different ways (e.g., individually, by joint tenancy, through a trust or custodial account, etc.) or in multiple accounts. Please vote the shares represented by each Notice or proxy card you receive to ensure that all of your shares are voted.

Revoking Your Proxy

If you are a stockholder of record, you may revoke your proxy at any time before it is voted by written notice to the Secretary, by revocation at the Meeting, by delivery to the Secretary of a subsequently dated proxy card or by submitting a later vote by Internet (instructions are on the Notice or the proxy card). In the case of multiple submissions regarding the same shares, the proxy with the latest date will be counted. The address for the Secretary is Howard Bancorp, Inc., 3301 Boston Street, Baltimore, Maryland 21224.

If you hold your shares through a bank, broker or other holder of record and you do not plan to vote in person at the Meeting, you should contact your bank, broker or agent to revoke your proxy or change your vote.

Voting on Other Matters

The Board of Directors is not aware of any additional matters to be brought before the meeting. If other matters do come before the meeting, the persons named in the accompanying proxy or their substitutes will vote the shares represented by such proxies in accordance with their judgment on such matters.

Cost of Proxy Solicitation

Solicitation of proxies will be primarily by mail, telephone and electronic delivery. Employees of Howard and its subsidiaries may be used to solicit proxies by means of telephone or personal contact but will not receive any additional compensation for doing so. Banks, brokers, trustees and nominees will be reimbursed for reasonable expenses incurred in sending proxy materials to the beneficial owners of such shares. The total cost of the solicitation of proxies will be borne by Howard.

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## SECURITIES OWNERSHIP OF DIRECTORS, OFFICERS AND CERTAIN BENEFICIAL OWNERS

The following table sets forth, as of March 28, 2019 (except as otherwise noted), information with respect to the beneficial ownership of Howard's common stock by each director, by its executive officers and by all of its directors and executive officers as a group, as well as information regarding each other person that we believe owns in excess of 5% of the outstanding common stock. Unless otherwise noted below, we believe that each person named in the table has or will have the sole voting and sole investment power with respect to each of the securities reported as owned by such person.

	Position	Number of Shares Beneficially Owned(1)	Shares Underlying Stock Options Exercisable Within 60 Days	Total	Percent of Common Shares
Board of Directors:					
Richard G. Arnold	Director	138,367	1,707	140,074	*
W. Gary Dorsch(2)	Director	258,780	—	258,780	1.36%
James T. Drescher, Jr.(3)	Director	375,148	—	375,148	1.97%
Howard Feinglass(4)	Director	2,838,370	—	2,838,370	14.89%
Michael B. High(5)	Director	41	—	41	*
Donna Hill Staton	Director	14,971	—	14,971	*
John J. Keenan	Director	10,445	—	10,445	*
Robert D. Kunisch, Jr.	Director and President	124,680		124,680	*
Paul I. Latta, Jr.	Director	98,559	3,157	101,716	*
Kenneth C. Lundeen(6)	Director	164,160	—	164,160	*
Thomas P. O'Neill	Director	25,261	—	25,261	*
Mary Ann Scully(7)	Director, Chairman of Board and Chief Executive Officer	141,045	—	141,045	*
Robert W. Smith, Jr.	Director	40,978	—		