

GLEN BURNIE BANCORP  
Form DEF 14A  
April 16, 2015

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SCHEDULE 14A  
(Rule 14a-101)  
INFORMATION REQUIRED IN PROXY STATEMENT

SCHEDULE 14A INFORMATION  
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:

Confidential, for Use of the  
Commission

Preliminary Proxy Statement

Only (as permitted by Rule 14a-6(e)(2))

Definitive Proxy Statement

Definitive Additional Materials

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

Glen Burnie Bancorp  
(Name of Registrant as Specified in Its Charter)

N/A

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

Payment of Filing Fee (Check the appropriate box):

No fee required.

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

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

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

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

(4) Proposed maximum aggregate value of transaction:

(5) Total fee paid:

Fee paid previously with preliminary materials.

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

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- (1) Amount Previously Paid:
- (2) Form, Schedule or Registration Statement No.:
- (3) Filing Party:
- (4) Date Filed:

[GLEN BURNIE BANCORP LETTERHEAD]

April 16, 2015

Dear Fellow Stockholder:

You are cordially invited to attend the 2015 Annual Meeting of Stockholders of Glen Burnie Bancorp (the “Company”) to be held at The Bank of Glen Burnie, 101 Crain Highway, SE, Glen Burnie, Maryland on Thursday, May 14, 2015 at 2:00 p.m.

The accompanying notice and proxy statement describe the formal business to be transacted at the meeting which includes the election of directors, and authorization for the Board of Directors to select the Company’s auditors for the 2015 fiscal year.

Enclosed with this proxy statement are a proxy card and an Annual Report to Stockholders for the 2014 fiscal year. During the meeting, we will report on the operations of the Company’s wholly-owned subsidiary, The Bank of Glen Burnie. Directors and officers of the Company as well as representatives of TGM Group LLC, our independent auditors, will be present to respond to any questions the stockholders may have.

ON BEHALF OF THE BOARD OF DIRECTORS, WE URGE YOU TO SIGN, DATE AND RETURN THE ACCOMPANYING PROXY CARD AS SOON AS POSSIBLE EVEN IF YOU CURRENTLY PLAN TO ATTEND THE ANNUAL MEETING. This will not prevent you from voting in person but will assure that your vote is counted if you are unable to attend the meeting. Your vote is important, regardless of the number of shares you own. If you plan to attend the meeting, please check the box on the enclosed form of proxy.

Sincerely,

John E. Demyan  
Chairman

Michael G. Livingston  
President and Chief  
Executive Officer

GLEN BURNIE BANCORP

101 Crain Highway, S.E.  
Glen Burnie, Maryland 21061  
(410) 766-3300

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS  
To Be Held on May 14, 2015

NOTICE IS HEREBY GIVEN that the 2015 Annual Meeting of Stockholders (the "Annual Meeting") of Glen Burnie Bancorp (the "Company") will be held at The Bank of Glen Burnie, 101 Crain Highway, SE, Glen Burnie, Maryland on Thursday, May 14, 2015 at 2:00 p.m., Eastern Time.

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

The Annual Meeting has been called for the following purposes:

1. To elect four directors;
2. To authorize the Board of Directors to accept the selection of the Audit Committee of an outside auditing firm for the 2015 fiscal year; and
3. To transact such other business as may properly come before the Annual Meeting or any adjournments thereof.

Any action may be taken on any one of the foregoing proposals at the Annual Meeting on the date specified above or on any date or dates to which, by original or later adjournment, the Annual Meeting may be adjourned. Stockholders of record at the close of business on March 30, 2015 are the only stockholders entitled to notice of and to vote at the Annual Meeting and any adjournments thereof.

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

BY ORDER OF THE BOARD OF  
DIRECTORS

Edward B. Connelly  
secretary

Glen Burnie, Maryland  
April 16, 2015

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IMPORTANT: THE PROMPT RETURN OF PROXIES WILL SAVE YOUR COMPANY THE EXPENSE OF FURTHER REQUESTS FOR PROXIES IN ORDER TO ENSURE A QUORUM. A SELF-ADDRESSED

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ENVELOPE IS ENCLOSED FOR YOUR CONVENIENCE. NO POSTAGE IS REQUIRED IF MAILED IN THE UNITED STATES.

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Important Notice Regarding the Availability of Proxy Materials  
for the Shareholder Meeting to Be Held on May 14, 2015

The Notice of Annual Meeting of Stockholders, Proxy Statement, Form of Proxy, and 2014 Annual Report are available at [www.edocumentview.com/GLBZ](http://www.edocumentview.com/GLBZ).

PROXY STATEMENT  
OF  
GLEN BURNIE BANCORP  
101 Crain Highway, S.E.  
Glen Burnie, Maryland 21061

ANNUAL MEETING OF STOCKHOLDERS  
May 14, 2015

GENERAL

This proxy statement is furnished in connection with the solicitation of proxies by the Board of Directors (the “Board of Directors” or “Board”) of Glen Burnie Bancorp (the “Company”) to be used at the 2015 Annual Meeting of Stockholders of the Company and any adjournments or postponements thereof (hereinafter called the “Annual Meeting”) which will be held at The Bank of Glen Burnie, SE, 101 Crain Highway, Glen Burnie, Maryland on Thursday, May 14, 2015 at 2:00 p.m., Eastern Time. The accompanying Notice of Annual Meeting and form of proxy and this Proxy Statement are being first mailed to stockholders on or about April 16, 2015.

VOTING AND REVOCABILITY OF PROXIES

Proxies solicited by the Board of Directors of the Company will be voted in accordance with the directions given therein. Where no instructions are given, signed proxies will be voted for the nominees named below, and for the proposal to authorize the Board of Directors to accept the selection of the Audit Committee of an outside auditing firm for the 2015 fiscal year. The proxy confers discretionary authority on the persons named therein to vote with respect to the election of any person as a director where the nominee is unable to serve or for good cause will not serve, and with respect to matters incident to the conduct of the Annual Meeting. If any other business is presented at the Annual Meeting, proxies will be voted by those named therein in accordance with the determination of a majority of the Board of Directors. Proxies marked as abstentions will not be counted as votes cast. In addition, shares held in street name which have been designated by brokers on proxy cards as not voted will not be counted as votes cast. Proxies marked as abstentions or as broker no votes, however, will be treated as shares present for purposes of determining whether a quorum is present.

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

VOTING SECURITIES AND PRINCIPAL HOLDERS THEREOF

The securities entitled to vote at the Annual Meeting consist of the Company’s common stock, par value \$1.00 per share (the “Common Stock”). Stockholders of record as of the close of business on March 30, 2015 (the “Record Date”) are entitled to one vote for each share then held. At the Record Date, the Company had 2,764,458 shares of Common Stock issued and outstanding. The presence, in person or by proxy, of at least a majority of the total number of shares of Common Stock outstanding and entitled to vote will be necessary to constitute a quorum at the Annual Meeting. Persons and groups beneficially owning in excess of 5% of the Common Stock are required to file certain

reports with respect to such ownership pursuant to the Securities Exchange Act of 1934 (the “Exchange Act”). The following table sets forth, as of the Record Date, certain information as to the Common Stock beneficially owned by all persons who were known to the Company to beneficially own more than 5% of the Common Stock outstanding at the Record Date.

- i -

Name and Address of Beneficial Owner	Amount and Nature of Beneficial Ownership <sup>1</sup>	Percent of Shares Of Common Stock Outstanding
John E. Demyan 101 Crain Highway, S.E. Glen Burnie, Maryland 21061	283,782 <sup>2</sup>	10.28%
Frederick W. Kuethe, III 377 Swinton Way Severna Park, Maryland 21146	143,793 <sup>3</sup>	5.21%
Marrian K. McCormick 8 Oak Lane Glen Burnie, Maryland 21061	158,848 <sup>4</sup>	5.75%
Edward M. Kuethe P.O. Box 218 Glen Burnie, Maryland 21060	139,634 <sup>5</sup>	5.06%
Wellington Management Company, LLP 280 Congress Street Boston, Massachusetts 02210	265,178 <sup>6</sup>	9.60%

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

<sup>2</sup> Includes 282,782 shares held by Mr. Demyan individually and 1,000 shares held by Mrs. Demyan.

<sup>3</sup> Includes 21,004 shares held jointly, 1,258 shares held by Mr. Kuethe individually, and 571 shares held by Mrs. Kuethe individually. Each disclaims beneficial ownership to the shares owned individually by the other. Also includes 120,960 shares held by Mr. Kuethe as one of the trustees for The Kuethe Family Educational Trust.

<sup>4</sup> Includes 1,461 shares held by Mrs. McCormick individually, 16,185 shares held by Mrs. McCormick for the benefit of minor children, 20,242 shares held by Mrs. McCormick as trustee of the McCormick Family Trust, and 120,960 shares held by Mrs. McCormick as one of the trustees for The Kuethe Family Educational Trust.

<sup>5</sup> Includes 1 share held by Mr. Kuethe individually, 18,673 shares held by Mr. Kuethe for the benefit of minor children and 120,960 shares held by Mr. Kuethe as one of the trustees for The Kuethe Family Educational Trust.

<sup>6</sup> Includes 265,178 shares held by Wellington Management with shared power to vote or to direct the vote.

## PROPOSAL I -- ELECTION OF DIRECTORS

The Board of Directors currently consists of 11 directors. Under the Company's Articles of Incorporation, directors are divided into three classes and elected for terms of three years each and until their successors are elected and qualified. The Board has nominated Andrew Cooch, Norman E. Harrison, Jr., Michael G. Livingston, and Edward L. Maddox for election as directors to serve for terms of three years each and until their successors are elected and qualified. Under Maryland law, directors are elected by a plurality of all votes cast at a meeting at which a quorum is present.

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

- ii -

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

Name	Age	Director Since	Current Term to Expire	Independent
Board Nominees for Term to Expire in 2018				
Andrew Cooch	59	2014	2015	Yes
Norman E. Harrison, Jr.	69	2005	2015	Yes
Michael G. Livingston	61	2005	2015	No
Edward L. Maddox	64	2005	2015	Yes

#### Directors Continuing in Office

Thomas Clocker	80	1995	2016	Yes
F. William Kuethe, Jr.	82	1995	2016	No
Karen B. Thorwarth	58	1995	2016	Yes
John E. Demyan	67	1995	2017	No
Charles Lynch, Jr.	61	2003	2017	Yes
F. W. Kuethe, III	55	1992	2017	No
Mary Lipin Wilcox	67	1997	2017	Yes

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

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

Norman E. Harrison, Jr., has 44 years of experience as a certified public accountant. Mr. Harrison is presently an Accounting Consultant. He was a founding partner of Harrison & Company, LLC a public accounting firm specializing in auditing, accounting, taxes and consulting. Prior to opening his company, Mr. Harrison was a senior partner responsible for managing the Baltimore office of Stegman & Company, P.A., a large regional public accounting firm. Mr. Harrison is a member of the American Institute of Certified Public Accountants and the Maryland Association of Certified Public Accountants. He currently serves as an advisory board or board member of

several non-profit organizations and a privately held corporation. Presently, Mr. Harrison is chairman of the Audit Committee. Mr. Harrison is well qualified to serve as a member of the Company's Board due to his extensive finance and accounting experience.

Michael G. Livingston became President and Chief Executive Officer on January 1, 2008. Prior to that date, he was Deputy Chief Executive Officer and Executive Vice President since August 2004 and became a Director on January 1, 2005. Mr. Livingston was a Senior Vice President from January 1998 until August 2004 and had been Chief Lending Officer of the Bank from 1996 until August 2004. He served as Deputy Chief Operating Officer from February 14, 2003 through December 31, 2003 and was appointed the Chief Operating Officer effective January 1, 2004. Mr. Livingston is well qualified to serve as a member of the Company's Board due to his more than 15 years experience as a member of the Bank's senior management and detailed knowledge of the Company's operations and banking industry.

- iii -

Edward L. Maddox has 32 years of professional experience in the financial services industry. From 1992-2009 he was a consultant with Automated Financial Systems providing expertise to major U.S. banks in the areas of profitability reporting, commercial lending revenue enhancement and international cash management products. During his career Mr. Maddox worked in the operations division of First National Bank of Maryland and the Equitable Trust Company. He was a member of the Adjunct Faculty at Loyola College from 1980-1985 while serving as the director of consulting for Commercial Banking Funds Management with Littlewood, Shain & Company. In 2003, Governor Robert L. Ehrlich appointed Mr. Maddox to the Maryland State Information Technology Board. He served as a Delegate on the Greater Severna Park Council from 1979-1982 and 1989-1993. He currently serves on the Shipley's Choice Community Association's Board of Directors where he has held several leadership positions including a three-year term as President. Mr. Maddox is well qualified to serve as a member of the Company's Board due to his broad experience in and familiarity with the financial services industry and the Company's business.

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

F. William Kuethe, Jr. served as President and Chief Executive Officer of the Company and the Bank from 1995 until 2007 and is currently President Emeritus. He also served as a director of the Bank from 1960 through 1989. He was formerly President of Glen Burnie Mutual Savings Bank from 1960 through 1995. Mr. Kuethe, a former licensed appraiser and real estate broker, has banking experience at all levels. Mr. Kuethe is the father of Frederick W. Kuethe, III. Mr. Kuethe is well qualified to serve as a member of the Company's Board due to his more than half century experience in community banking, detailed familiarity with the Company's and the Bank's business and industry and knowledge of the Bank's market.

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

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

Charles Lynch, Jr. is President of The General Ship Repair Corporation in Baltimore, Maryland and has over 30 years of experience in marine engineering and ship repair. He holds a Bachelor of Science degree in Industrial Engineering, with a minor in Ocean Engineering, from the University of Miami and serves on the Baltimore Maritime Museum's Board of Directors. Mr. Lynch is well qualified to serve as a member of the Company's Board due to his extensive

business experience and knowledge of the Company's market and involvement in the communities served by the Bank.

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

- iv -

Mary Lipin Wilcox is a retired teacher from the Anne Arundel County Public School system where she had been teaching at Belle Grove Elementary School in Brooklyn Park, Maryland. Currently, Mrs. Wilcox is a member of a family owned LLC which manages commercial property in northern Anne Arundel County. She is actively involved in her church where she has served on multiple committees, including the Vestry and Finance committee. Also active in her community, Mrs. Wilcox has served on the Glen Burnie Improvement Association's Carnival Banking Committee for over 50 years, as well as participating in other Carnival committees in the past. Ms. Wilcox is well qualified to serve as a member of the Company's Board due to her knowledge of the Company's market and involvement in the communities served by the Bank.

## CORPORATE GOVERNANCE

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

### Meetings and Committees of the Board of Directors

Board of Directors. The Board of Directors holds regular monthly meetings and special meetings as needed. During the year ended December 31, 2014, the Board met 13 times. No incumbent director attended fewer than 75% of the total number of meetings of the Board of Directors held during 2014 and the total number of meetings held by all committees on which the director served during such year. Board members are expected to attend the Annual Meeting of Stockholders, and all incumbent directors serving at that time attended the 2014 Annual Meeting of Stockholders.

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

Audit Committee. The Bank's Audit Committee acts as the audit committee for the Company and currently consists of Directors Norman E. Harrison, Jr., Karen B. Thorwarth, Thomas Clocker, and Edward Maddox. During the year ended December 31, 2014, the Audit Committee met 15 times.

The Audit Committee monitors internal accounting controls, meets with the Bank's Internal Auditor to review internal audit findings, recommends independent auditors for appointment by the Board, and meets with the Company's independent auditors regarding these internal controls to assure full disclosure of the Company's financial condition. Each member of the Audit Committee is independent, as defined in Rule 5605(a)(2) of the NASDAQ Stock Market Rules and under the criteria for independence set forth in Rule 10A-3(b)(1) promulgated by the Securities and Exchange Commission (SEC) under the Exchange Act, and otherwise meets the criteria for Audit Committee membership set forth in applicable NASDAQ rules. In addition, each member of the Audit Committee is able to read and understand fundamental financial statements, including a company's balance sheet, income statement, and cash flow statement. Additionally at least one member of the Committee has employment experience in finance or accounting and the requisite professional certification in accounting, which results in the individual's financial sophistication. The Audit Committee does not include an "audit committee financial expert" (as defined in applicable SEC rules), because the Board of Directors believes that the benefits provided by the addition to the Audit Committee of an individual who meets the SEC criteria at this time do not justify the cost of retaining such an individual.

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

Employee Compensation and Benefits Committee. The Bank's Employee Compensation and Benefits Committee acts as the compensation committee for the Company and is composed of Directors Andrew Cooch, Edward Maddox, Thomas Clocker, Norman E. Harrison, Jr., and Karen Thorwarth. This Committee met four times during 2014. The purpose of the Compensation Committee is to evaluate and ascertain the appropriateness of compensation levels pertaining to the officers of the Bank other than the Chief Executive Officer and the other executive officers of the Bank. The compensation levels of all of the executive officers, other than the Chief Executive Officer, are recommended by the Chief Executive Officer for deliberation and approval of the Committee prior to submission to the full Board. The compensation levels of the Chief Executive Officer and the other executive officers of the Bank are reviewed by the full Board of Directors and must be approved by a majority of the independent directors. No executive officer is present during deliberations or voting on his compensation. The Board has adopted a written charter for the Employee Compensation and Benefits Committee, which is available on the Bank's website, [www.thebankofglenburnie.com](http://www.thebankofglenburnie.com).

- v -

During 2014, the Employee Compensation and Benefits Committee renewed the services of ChaseCompGroup, LLC as its independent advisor on matters of executive and board compensation, reporting directly to the Committee. ChaseCompGroup, LLC provides no other remunerated services to the Company or any of its affiliates.

Nominations. The independent members of the Company's Board of Directors acts as a nominating committee for the annual selection of its nominees for election as directors, and the Board held one meeting during 2014 in order to make nominations for directors. The Board has not adopted a charter with respect to the nominating committee function. The Board of Dir