

**Capital Properties, Inc.**  
**5 Steeple Street, Unit 303**  
**Providence, RI 02903**

**NOTICE OF ANNUAL MEETING OF SHAREHOLDERS**

**April 30, 2019**

The 2019 annual meeting of shareholders of Capital Properties, Inc. (the “Company”) will be held at the offices of Hinckley, Allen & Snyder LLP, 100 Westminster Street, Suite 1500 in Providence, Rhode Island, on Tuesday, April 30, 2019 at 10:00 o'clock A.M., local time, for the following purposes:

- (1) To elect three (3) members to the Board of Directors to serve for a term of one (1) year and until their successors are elected and qualified;
- (2) To consider and approve an advisory (non-binding) proposal on the Company’s executive compensation;
- (3) To consider and approve an advisory (non-binding) proposal on the frequency of submission of the vote regarding the Company’s executive compensation; and
- (2) To transact such other business, if any, as may properly come before the meeting or any adjournment or adjournments thereof.

Holders of record of the Class A Common Stock on the books of the Company as of the close of business on March 1, 2019 will be entitled to vote.

By Order of the Board of Directors

STEPHEN J. CARLOTTI  
Secretary

Providence, Rhode Island  
March 18, 2019

Kindly fill in, date and sign the enclosed proxy card and promptly return the same in the enclosed addressed envelope, which requires no postage if mailed in the United States.

**IMPORTANT NOTICE REGARDING THE AVAILABILITY OF PROXY MATERIALS  
FOR THE ANNUAL MEETING OF SHAREHOLDERS TO BE HELD ON APRIL 30, 2019**

**The Company's Proxy Statement, sample proxy cards and Annual Report on Form 10-K are  
available at: <http://materials.proxyvote.com/140430>**

**Capital Properties, Inc.**

**PROXY STATEMENT**

**ANNUAL MEETING OF SHAREHOLDERS**

**April 30, 2019**

**SOLICITATION AND REVOCATION OF PROXIES**

The accompanying proxy is solicited by the Board of Directors of Capital Properties, Inc. (the “Company”), in connection with the annual meeting of shareholders to be held April 30, 2019. The Company will bear the cost of such solicitation. It is expected that the solicitation of proxies will be primarily by mail. Proxies may also be solicited personally by regular employees of the Company at nominal cost. The Company may reimburse brokerage houses and other custodians, nominees and fiduciaries holding stock for others in their names, or in those of their nominees, for their reasonable out-of-pocket expenses in sending proxy materials to their principals or beneficial owners and obtaining their proxies. Any shareholder giving a proxy has the power to revoke it at any time prior to its exercise, by (i) filing a written revocation of the proxy with the Secretary of the Company, (ii) submitting a signed proxy card bearing a later date or (iii) attending and voting in person at the meeting provided the shareholder is the holder of record of the underlying shares and a written revocation of the shareholder's grant of proxy has been filed with the Secretary of the Company. Notice of revocation may be delivered in writing to the Secretary at Capital Properties, Inc., 5 Steeple Street, Unit 303, Providence, Rhode Island 02903, Attn: Secretary. Every properly signed proxy will be voted in accordance with the specifications made thereon.

This Proxy Statement and the accompanying proxy are expected to be first sent to shareholders on or about March 18, 2019.

**VOTING AT MEETING**

Only shareholders of record at the close of business on March 1, 2019, will be entitled to vote at the meeting. Under the Company's Restated Articles of Incorporation, the holders of the Company's Class A Common Stock are entitled to one vote for each share held. On the record date, there were 6,599,912 shares of Class A Common Stock outstanding. There were no other outstanding securities of the Company entitled to vote.

To be elected as a director, a nominee must receive the affirmative vote of a plurality of the votes cast. Under the plurality voting standard, the nominees receiving the most “for” votes will be elected. A proxy card marked as withholding authority with respect to the election of one or more directors will be counted for quorum purposes.

Approval of the non-binding advisory proposals related to the Company's executive compensation (Proposals 2 and 3) requires the affirmative vote of holders of a majority of the Company's Class A Common Stock present in person or represented by proxy at the meeting. Because these proposals are advisory, neither of them will be binding upon the Board of Directors if approved. However, the Compensation Committee and the Board of Directors will take into account the outcome of the vote when considering future executive compensation arrangements.

Shares represented by proxies which are marked “withhold authority” with respect to the election of any particular nominee for director, or to deny discretionary authority on any other matters will be counted as shares present and entitled to vote, and accordingly any such marking of a proxy will have the same effect as a vote against the proposal to which it relates. Brokers who hold shares in street name lack authority to vote such shares for the election of directors and certain other “non-discretionary” matters, absent specific instructions from their customers. Shares subject to such “broker non-votes” will not be treated as shares entitled to vote on the matters to which they relate and therefore will be treated as not present at the meeting for those purposes, but otherwise will have no effect on the outcome of the voting on such matters. Proposals 2 and 3 are considered “non-discretionary” matters on which brokers are prohibited from voting without instruction from the beneficial owners of the shares. Accordingly, shareholders are encouraged to provide instructions to their brokers regarding the voting of their shares.

## PROPOSAL NO.1

### ELECTION OF DIRECTORS

At the annual meeting, three directors are to be elected to hold office until the next annual meeting and until their respective successors are elected and qualified. The proxies named in the accompanying proxy who have been designated by the Board, intend to vote, unless otherwise instructed, for the election to the Board of the persons named below who are now directors of the Company. The Board has determined that the number of directors shall be three. Certain information concerning such nominees is set forth below:

Director			Principal Occupation During Past Five Years
Name	Age	Since	
Alfred J. Corso	82	2005	Consultant, 2001 to present
Robert H. Eder	86	1995	Chairman and Chief Executive Officer of the Company, 1995 to present; President of the Company 2008 to April, 2017 and October 2018 to present; Chairman, Providence and Worcester Railroad Company, 1988 to November 2016
Steven G. Triedman	60	2015	President and Owner of Lawrence & Brooks, Incorporated and Corky’s Reflective Wear

The Board has reviewed the relationship that each director, including each director who served during 2018, and nominee for director, which includes each of the nominees standing for election at the 2019 annual meeting, and has determined that all such directors and nominees for director, other than Robert H. Eder, are independent as defined under the NASDAQ listing standards.

The Board does not have a policy with respect to diversity and does not specifically consider issues of diversity, such as gender, race, origin, or sex when determining whether to nominate a person to be a director of the Company. When considering whether directors and nominees have the experience, qualifications, attributes and skills, taken as a whole, to enable the Board to satisfy its

oversight responsibilities effectively in light of the Company's business and structure, the Board focuses primarily on each director's and nominee's individual background and experience as it relates to the Company's business. Historically, when vacancies have occurred, each director has been requested to suggest potential nominees and each potential nominee is vetted with the entire Board.

In particular, with regard to Mr. Corso, the Board considered his training, work experience as a partner of Ernst & Young and his service as a controller of a publicly-held corporation which activities qualify him as a financial expert. With regard to Mr. Eder, the Board considered that he is the Company's founder, he has been actively involved with the Company or its predecessors since 1966 and is the majority shareholder. With regard to Mr. Triedman, the Board considered his experience as a business owner and contacts within the community in which the Company operates.

<b>Recommendation of the Board of Directors</b>	The Board of Directors recommends that shareholders vote <b>FOR</b> approval of the three (3) director nominees set forth above.
---	--

#### *Communications with the Board of Directors*

The Board has established a process for shareholders to communicate with members of the Board. If you have any concern, question or complaint regarding our compliance with any policy or law, or would otherwise like to contact the Board, you may reach our directors by writing directly to those individuals c/o Capital Properties, Inc., 5 Steeple Street, Unit 303, Providence, Rhode Island 02903.

Any inquiries received will not be screened by the Company and will be forwarded directly to the director to which such inquiry is addressed, unless it is believed that a particular inquiry may pose a security risk. The Board sits as a committee of the whole to address any inquiries made by shareholders.

#### *Board Leadership Structure*

Robert H. Eder serves as the Chairman of the Board of the Company and is the Company's chief executive officer. The Board believes that the Company's chief executive officer is best situated to serve as Chairman because he is the director most familiar with the Company's business and industry, and most capable of effectively identifying strategic priorities and leading the discussion and execution of strategy. Independent directors and management have different perspectives and roles in strategy development. The Company's independent directors bring experience, oversight and expertise from outside the Company and industry, while the chief executive officer brings Company-specific experience and expertise. The Board believes that the combined role of Chairman and chief executive officer promotes strategy development and execution and facilitates information flow between management and the Board, which are essential to effective governance.

One of the key responsibilities of the Board is to develop strategic direction and hold management accountable for the execution of strategy once it is developed. The Board believes the combined role of Chairman and chief executive officer is in the best interest of shareholders because it provides the appropriate balance between strategy, development and independent oversight of management.

#### *Committees of the Board of Directors*

The Board has an Audit Committee and a Compensation Committee, both of which are currently comprised of Messrs. Corso and Triedman, each of whom is independent as defined under applicable

rules of the Securities and Exchange Commission (“SEC”) and NASDAQ listing requirements.<sup>1</sup> Each of the Audit and Compensation Committees has a written charter approved by the Board. Mr. Corso chairs the Audit Committee and Mr. Triedman chairs the Compensation Committee.

The Audit Committee is responsible for overseeing the establishment and maintenance of an effective financial control environment for the Company, for establishing procedures for evaluating the system of internal accounting control and for evaluating audit performance.

The Board has determined that the members of the Audit Committee satisfy the financial literacy requirements of the NASDAQ listing standards and are independent as defined under the NASDAQ listing requirements and applicable rules of the SEC. Additionally, the Board has determined that Mr. Corso qualifies as an “audit committee financial expert” as defined by the SEC rules.

The Compensation Committee assists the Board in discharging the Board's responsibilities relating to director and executive compensation. The Compensation Committee's responsibilities include establishing and reviewing the Company's executive and director compensation philosophy, strategies, plans and policies, and evaluating the performance and determining the compensation of the Chairman and Chief Executive Officer (“CEO”) of the Company and advising and assisting the CEO in formulating and implementing programs to facilitate the selection and development of other key managers. The Compensation Committee also reviews and approves the compensation of other executive officers of the Company.

The Company does not maintain a nominating committee or a committee performing a similar function due to the fact that Mr. Eder owns a controlling interest in the Company. The Board sits as a committee of the whole to consider any recommendations made by shareholders and/or other directors of persons to be directors of the Company. In determining whether to nominate any such person for election by the shareholders, the Board considers the experience of such person as it relates to the business of the Company, together with such person's age, reputation and ability to carry out the requirements to serve as a director of the Company. The Board does not have a policy with respect to diversity and does not specifically consider issues of diversity, such as gender, race, origin or sex when determining whether to nominate a person to be a director of the Company.

During the fiscal year ended December 31, 2018, the Board held five meetings, the Audit Committee held five meetings and the Compensation Committee held no meetings. All directors attended every meeting of the Board and meetings of Committees on which such director serves. The Board has adopted a policy that requires members of the Board to make every effort to attend each annual shareholders meeting. All then current members of the Board attended the 2018 annual shareholders meeting.

### *Risk Management*

The Board has an active role, as a whole and also at the Audit Committee level, in overseeing management of the Company's risks. The Board regularly meets with management and reviews information regarding the Company's overall risks. The Audit Committee oversees management of financial and operational risks and oversees management of risks associated with regulatory, environmental, health and safety. The Board does not believe there is any high degree of risk

---

<sup>1</sup> The Company's Class A Common Stock is traded on the OTCQX. For purposes of determining the independence of directors and members of the Audit Committee, however, the Board has determined to use the applicable independence standards as defined under the NASDAQ listing requirements.

associated with its compensation practices as the Company does not provide for any incentive-based compensation other than infrequent cash bonuses which have only been paid in connection with extraordinary events. Furthermore, salary increases for employees of the Company are based primarily on increases in the cost of living.

#### *Compensation of Directors*

The Board, upon recommendation of the Compensation Committee, is responsible for determining compensation of the directors. Directors, other than directors who are employed by the Company, received a fee for attendance at each meeting of the Board, together with related transportation and living expenses. During the 2018 fiscal year, outside directors received an annual retainer fee of \$15,000, payable in quarterly installments and fees per meeting as follows: Board: \$1,000; Audit Committee: \$750 and Compensation Committee: \$500. The maximum fees payable for attendance at Board and committee meetings occurring on the same day is \$1,500.

The following Director Compensation table provides information regarding the compensation paid or accrued by each director during the 2018 fiscal year.

<u>Name</u>	<u>Total</u>	<u>Fees Earned or Paid in Cash</u>	<u>Option Awards</u>	<u>All Other Compensation</u>
Alfred J. Corso	\$23,250	\$23,250	N/A	N/A
Robert H. Eder	--	--	N/A	N/A
Steven G. Triedman	\$23,250	\$23,250	N/A	N/A

#### *Corporate Governance*

The Board is committed to ethical business practices and believes that strong corporate governance is important to ensure that the Company is managed for the long-term benefit of its shareholders. The Company regularly monitors developments in the area of corporate governance and has implemented a number of best practices, including the following:

Code of Ethics. The Company has adopted a Code of Ethics applicable to all directors, officers and employees, which meets the requirements of a “code of ethics” as defined in Item 406 of Regulation S-K.

Procedures for the Receipt, Retention and Handling of Complaints. The Company maintains procedures for the confidential, anonymous submission by employees of any complaints or concerns about the Company, including complaints regarding accounting, internal accounting controls or auditing matters.

## SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

The table set forth below reflects the only persons (including any “group” as that term is used in Section 13(d)(3) of the Securities Exchange Act of 1934) who, to the best of the Company's knowledge were, on March 1, 2019, the beneficial owners of more than five percent of the Company's outstanding Class A Common Stock, \$.01 par value.

Name and Address	Number of shares held <sup>1</sup>	Percent of Class
Robert H. Eder Trust and Linda Eder Trust 130 Sunrise Avenue, Apt. 507 Palm Beach, Florida 33480	3,453,420 <sup>2</sup>	52.3%
TowerView LLC 500 Park Avenue New York, New York 10022	465,276	7.0%
Lance S. Gad 1250 Fence Row Drive Fairfield, Connecticut 06430	382,096	5.8%
A.M. Propp 366 Eagle Drive Jupiter, FL 33477	331,987	5.0%

<sup>1</sup>All information is based upon ownership of record as reflected on the stock transfer books of the Company or as reported on Schedule 13G or Schedule 13D filed under Rule 13d-1 under the Securities Act of 1934.

<sup>2</sup>Robert H. Eder and Linda Eder are husband and wife, and each is a co-trustee of the Robert H. Eder Trust and Linda Eder Trust.

The following table reflects as of March 1, 2019, the beneficial ownership of shares of Class A Common Stock of the Company by directors and officers of the Company, all shares being owned directly except as otherwise noted:

Name of Individual or Identification of Group	Number of shares held	Percent of Class
Alfred J. Corso	2,043	*
P. Scott Conti	1,300	*
Robert H. Eder	3,453,420(a)	52.3%
Steven G. Triedman	100	*
All directors and officers as a group	3,456,863	52.4%

\*Less than 1 %

(a) Includes 1,726,710 shares held by the Robert H. Eder Trust and 1,726,710 shares held by the Linda Eder Trust.

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

Section 16(a) of the Securities Exchange Act of 1934 requires executive officers and directors and persons who beneficially own more than ten percent of the Company's common stock to file initial reports of ownership and reports of changes in ownership with the SEC and any national securities exchange on which the Company's securities are registered. Based solely on a review of the copies of forms furnished to the Company and written representations from the executive officers and directors of the Company, the Company believes that, during 2018, its executive officers, directors and greater than ten percent beneficial owners complied with all applicable Section 16(a) requirements.

## **TRANSACTIONS WITH MANAGEMENT**

Potential conflicts of interest and related party transactions are referred by the Board to the Audit Committee for review and approval. In reviewing and evaluating potential conflicts of interest and related party transactions, the Audit Committee uses applicable SEC rules as a guide.



## EXECUTIVE COMPENSATION

During 2010, the Compensation Committee engaged Effective Pay Practices of Gloucester, Massachusetts to update its prior study on executive compensation and established salary levels for the Company's executive officers based upon that study, effective January 1, 2011.

The Committee subsequently approved a cost-of-living adjustment for the Chairman effective January 1, 2016, based on the previous year increase in the Consumer Price Index. The Compensation Committee established the compensation for the Treasurer prior to her joining the Company.

The following table summarizes the compensation paid or accrued by the Company during the twelve-month period ended December 31, 2018, to the Chairman, CEO and President, and two other most highly compensated executive officers other than the Chairman, CEO and President who earned more than \$100,000 in total compensation in 2018 (whether or not employed by the Company on December 31, 2018).

Contributions by the Company under the Company's SEP are fully vested when made. Each employee directs the investment of amounts in his or her SEP account. The Company does not have any employment agreements and has no severance or change of control arrangements with any of its executive officers.

### Annual Compensation

Name and Principal Position	Year	Salary	Severance/ Bonus	All other Compensation <sup>3</sup>	Total Compensation
Robert H. Eder, Chairman, CEO & President (since October 2018)	2018	\$285,817	--	\$20,625	\$306,442
	2017	285,817	--	20,250	\$306,067
P. Scott Conti, President (until October 2018)	2018	150,000	--	11,250	161,250
	2017	145,096	--	10,882	155,978
Susan R. Johnson, Treasurer	2018	126,250	--	9,469	135,719

<sup>3</sup>Amounts paid directly to the retirement accounts of employees under the Company's SEP.

## **AUDIT COMMITTEE REPORT**

Management is responsible for the Company's internal controls and financial reporting process. The independent registered public accountants are responsible for performing an audit of the Company's consolidated financial statements in accordance with the standards of the Public Company Accounting Oversight Board (United States) and to issue a report thereon. The Audit Committee's responsibility is to monitor and oversee these processes.

The Audit Committee has sole authority to select, evaluate and when appropriate, to replace the Company's independent registered public accountants. Additionally, and as appropriate, the Audit Committee reviews and evaluates, and discusses and consults with the Company's management and independent registered public accountants regarding the scope of the audit plan, the results of the audit, the Company's financial statement disclosure documents, the adequacy and effectiveness of the Company's accounting and financial controls and changes in accounting principles.

The Audit Committee reviewed and discussed the audited consolidated financial statements with management and the Company's independent registered public accountants, Stowe & Degon, LLC ("Stowe & Degon"). The Audit Committee also discussed with such firm the matters required by the PCAOB Auditing Standard No. 16. The Audit Committee received from Stowe & Degon written disclosures and the letter regarding its independence as required by Independence Standards Board Standard No.1, wherein Stowe & Degon confirmed its independence within the meaning of the SEC and Independence Standards Board Rules and disclosed the fees charged for professional services in the fiscal year ended December 31, 2018. The Audit Committee discussed this information with Stowe & Degon and also considered the compatibility of non-audit services provided by such firm with its independence. Based on the review of the audited consolidated financial statements and these various discussions, the Audit Committee recommended to the Board that the audited consolidated financial statements be included in the Company's Annual Report on Form 10-K, to be filed with the SEC.

Audit Committee: Alfred J. Corso (Chair) and Steven G. Triedman.

## **INDEPENDENT REGISTERED PUBLIC ACCOUNTANTS**

The Audit Committee of the Board has sole authority to engage, manage and discharge the Company's independent registered public accountants. The Committee engaged Stowe & Degon for fiscal year 2018. The Company has been advised by Stowe & Degon that it has no direct financial interest or any material indirect financial interest in the Company, nor has that firm had any connection during the past three years with the Company in the capacity of promoter, underwriter, voting trustee, director, officer or employee.

It is expected that a representative of Stowe & Degon will be present at the annual meeting and will be provided the opportunity to make a statement if he or she so desires and that such representative will be available to respond to appropriate questions.

**Audit and Non-Audit Fees:**

The aggregate fees for professional services rendered for the Company by Stowe & Degon for the fiscal years ended December 31, 2017 and 2018 are set forth below.

	<u>2017</u>	<u>2018</u>
Audit fees.....	\$111,000	\$71,200
Audit-related fees.....	--	--
Tax fees.....	23,000	16,100
All other fees.....	--	--
Total.....	<u>\$134,000</u>	<u>\$87,300</u>

*Audit Fees* for fiscal years ended December 31, 2017 and 2018 were for professional services rendered for the audits of the Company's annual financial statements and the reviews of interim financial statements included in the Company's Quarterly Reports on Form 10-Q, consents and other assistance required to complete the year-end audit of the Company's financial statements.

*Audit-Related Fees* for the fiscal years ended December 31, 2017 and 2018: there were no audit-related fees.

*Tax Fees* for the fiscal years ended December 31, 2017 and 2018 were for services related to tax return preparation. All of these fees were paid to Stowe and Degon.

*All Other Fees* for the fiscal years ended December 31, 2017 and 2018: there were no other fees.

The Audit Committee (or in the case of minor matters, the Chairman) pre-approves all audit and non-audit services provided by the independent auditors prior to the engagement of the independent auditors with respect to such services.

The Audit Committee has determined that the provision of such services was compatible with maintaining Stowe & Degon's independence.

**FINANCIAL STATEMENTS**

A copy of the Company's annual report to the SEC on Form 10-K for the year ended December 31, 2018 is enclosed. Such report is not part of this Proxy Statement.

## PROPOSAL NO. 2

### ADVISORY VOTE ON EXECUTIVE COMPENSATION

This shareholder advisory vote, commonly known as “Say-on-Pay,” is required pursuant to Section 14A of the Securities Exchange Act of 1934, and gives our shareholders the opportunity to approve or not approve, on a non-binding advisory basis, the compensation paid to our named executive officers.

“RESOLVED, that the shareholders of Capital Properties, Inc. hereby approve, on a non-binding advisory basis, the compensation paid to the Company’s named executive officers, as described in the section entitled “Executive Compensation” in this Proxy Statement, including the tables and accompanying narrative disclosure.”

We believe that our compensation policies and procedures, which are described more fully in the tables and narrative in the “Executive Compensation” section of this Proxy Statement, are strongly aligned with the interests of shareholders. The Company’s Board of Directors believes that the Company’s compensation policies and procedures do not create undue risk nor are they excessive in an amount or nature. Absent a compensation study proposed by outside consultants which is approved in whole or in part by the Compensation Committee, and where required, the Board of Directors’ salary increases are based solely on cost of living increases which result in minimal increases each year and the Company generally does not pay bonuses to its executives except in unique circumstances. Thus, the Company’s cash flow can be used to undertake capital projects as necessary.

Approval of this proposal will require the affirmative vote of a majority of the Company’s Class A Common Stock represented in person or by proxy at the meeting. While the Company’s Board of Directors will consider carefully the results of shareholder voting upon this proposal, the outcome of this vote will not be binding on or overrule any decisions by the Board of Directors and will not create or imply any additional fiduciary duty on the part of the Board of Directors.

<b>Recommendation of the Board of Directors</b>	The Board of Directors recommends that shareholders vote <b>FOR</b> the adoption of this Proposal
---	---

### PROPOSAL NO. 3

#### ADVISORY VOTE ON FREQUENCY OF VOTE ON EXECUTIVE COMPENSATION

At our 2013 annual meeting of shareholders, we asked our shareholders to indicate their preference regarding how frequently we should conduct future advisory votes on executive compensation, commonly known as “Say-on-Pay” votes. We ask shareholders to support a frequency period of every three (3) years (a triennial vote) for future non-binding “Say-on-Pay” votes. At our 2013 meeting, the shareholders voted in favor of a triennial “Say-on-Pay” vote, with more than 83% of those voting indicating that preference, and the Board of Directors adopted a triennial “Say-on-Pay” vote.

We are required by Section 14A of the Securities Exchange Act of 1934 to seek shareholder input at least every six years regarding the frequency of advisory “Say-on-Pay” votes. At the annual meeting, we are requesting that our shareholders again indicate their preference for an annual, biennial (every two years) or triennial (every three years) frequency of future “Say-on-Pay” advisory votes.

The Board continues to believe that it is preferable to conduct the “Say-on-Pay” advisory vote every three years. A triennial vote will allow shareholders to better judge our executive compensation program in relation to our long-term performance. Additionally, a triennial vote will provide us with the time to thoughtfully respond to the views of our shareholders and implement any necessary changes. We carefully review changes to our executive compensation program to ensure that the program appropriately aligns our executive’s interests with the long-term interests of our shareholders and to ensure that the program appropriately balances risk and reward. We therefore believe that a vote every three (3) years is an appropriate frequency to provide sufficient time to thoughtfully consider shareholders’ input and to implement any appropriate changes to our executive compensation program, in light of the timing that would be required to implement any decisions related to such changes.

This advisory shareholder vote, commonly known as “Say-on-Frequency,” gives you as a shareholder the opportunity to state your preference on how frequently we conduct the advisory vote on our executive compensation. The voting frequency option that receives the highest number of votes cast will be the frequency for the advisory vote on executive compensation selected by shareholders. However, because this vote is advisory and not binding on the Board of Directors or the Company in any way, the Board of Directors may decide that it is in the best interests of our shareholders and the Company to hold an advisory vote on executive compensation more or less frequently than the option approved by our shareholders.

The Board believes that a triennial advisory vote on executive compensation is appropriate for the reasons stated above.

<b>Recommendation of the Board of Directors</b>	The Board of Directors recommends that shareholders vote <b>FOR</b> the conducting the advisory vote on executive compensation every three years.
---	---

## **PROPOSALS FOR 2019 ANNUAL MEETING**

The 2020 annual meeting of the shareholders of the Company is scheduled to be held April 28, 2020. If a shareholder intending to present a proposal at that meeting wishes to have a proper proposal included in the Company's Proxy Statement and form of proxy relating to the meeting, the shareholder must submit the proposal to the Company not later than November 25, 2019. Shareholder proposals that are to be considered at the 2020 annual meeting but not requested to be included in the Company's Proxy Statement must be submitted no later than January 28, 2020.

## **OTHER MATTERS**

No business other than that set forth in the attached Notice of Meeting is expected to come before the annual meeting, but should any other matters requiring a vote of shareholders arise, including a question of adjourning the meeting, the persons named in the accompanying proxy will vote thereon according to their best judgment in the interests of the Company. In the event any of the nominees for the office of director should withdraw or otherwise become unavailable for reasons not presently known, the persons named as proxies will vote for other persons in their place in what they consider the best interests of the Company.

#56597312