

MMA CAPITAL MANAGEMENT, LLC  
Form DEF 14A  
April 09, 2015

**UNITED STATES**

**SECURITIES AND EXCHANGE COMMISSION**

**Washington, D.C. 20549**

**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 Pursuant to § 240.14a-12

**MMA CAPITAL MANAGEMENT, LLC**

**(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.

Title of each class of securities to which transaction applies:

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(1)

Form, Schedule or Registration Statement No.:

(2)

Filing Party

(3)

Date Filed:

(4)

MMA Capital Management, LLC

621 East Pratt Street, Suite 600

Baltimore, Maryland 21201

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[www.mmacapitalmanagement.com](http://www.mmacapitalmanagement.com)

April 6, 2015

Dear fellow shareholder:

You are cordially invited to attend the annual meeting of shareholders of MMA Capital Management, LLC (formerly Municipal Mortgage & Equity, LLC) to be held on Tuesday, May 19, 2015, at 1:00 p.m. EDT, at the offices of Gallagher Evelius & Jones, LLP, 218 N Charles Street, Suite 400, Baltimore, MD 21201.

At the meeting, you will be asked to vote on three matters including the election of a director, an advisory vote on our executive compensation and the selection of our independent public accounting firm for 2015.

We are pleased to utilize the Securities and Exchange Commission rule allowing companies to furnish proxy materials to their shareholders over the Internet. Consequently, most shareholders will not receive paper copies of our proxy materials. We will instead send shareholders a notice with instructions for accessing the proxy materials and voting via the Internet. The notice will also provide information on how shareholders may obtain paper copies of our proxy materials if they so choose. This makes the proxy distribution process more efficient and less costly, and helps conserve natural resources.

I look forward to seeing you at the meeting.

Sincerely,

Francis X. Gallagher, Jr.

Chairman of the Board

## **YOUR VOTE IS IMPORTANT**

In order to ensure your representation at the annual meeting, you may submit your proxy and voting instructions via the Internet or by telephone, or, if you receive a paper proxy card and voting instructions by mail, you may vote your shares by completing, signing and dating the proxy card as promptly as possible and returning it in the enclosed envelope (to which no postage need be affixed if mailed in the United States). Please refer to the section entitled "Voting via the Internet, by Telephone or by Mail" on page ii of the Proxy Statement for a description of these voting methods. Under recent regulatory changes, if you have not given your broker specific instructions to do so, your broker will NOT be able to vote your shares with respect to the election of directors and executive compensation. If you do not provide voting instructions via the Internet, by telephone or by returning a proxy card or voting instruction card, your shares will not be voted with respect to the election of directors and executive compensation. We strongly encourage you to vote.

If the director nominee is not elected at our annual meeting, or if we are unable to achieve a quorum to transact business at our annual meeting (including any adjournment), then our current directors will continue to serve until their successors have been duly elected and qualified at the next annual meeting or their earlier death, resignation or removal.

**MMA CAPITAL Management, LLC**

**Pier IV Building**

**621 East Pratt Street, Suite 600**

**Baltimore, Maryland 21202**

**Notice of 2015 Annual Meeting of Shareholders**

Dear Shareholder:

Notice is hereby given that the annual meeting of shareholders of MMA Capital Management, LLC will be held on Tuesday, May 19, 2015 at 1:00 p.m. EDT, at the offices of Gallagher Evelius & Jones, LLP, 218 N Charles Street, Suite 400, Baltimore, MD 21201 for the following purposes:

To elect one director for a term of three years.

To hold a non-binding advisory vote to approve named executive officer compensation.

To ratify the appointment of KPMG, LLP as our independent registered public accounting firm for the fiscal year ending December 31, 2015.

To transact such other business as may properly come before the meeting or at any adjournment or postponements thereof.

Any of the foregoing may be considered or acted upon at the meeting or at any adjournment or postponements thereof.

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Holders of common shares of record on the books of the Company at the close of business on March 24, 2015, will be entitled to vote on all matters that may come before the meeting or any adjournment or postponements thereof.

Whether or not you plan to attend the annual meeting, please vote as soon as possible. As an alternative to voting in person at the annual meeting, you may vote via the Internet, by telephone or, if you receive a paper proxy card in the mail, by mailing a completed proxy card. For detailed information regarding voting instructions, please refer to the section entitled "Voting via the Internet, by Telephone or by Mail" on page ii of the Proxy Statement. You may revoke a previously delivered proxy at any time prior to the annual meeting. If you decide to attend the annual meeting and wish to change your proxy vote, you may do so automatically by voting in person at the annual meeting.

Assistant Secretary

*/s/ J. Brooks Martin*  
Baltimore, Maryland

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**MMA CAPITAL Management, LLC**

**Pier IV Building**

**621 East Pratt Street, Suite 600**

**Baltimore, Maryland 21202**

## **PROXY STATEMENT**

### **ANNUAL MEETING OF SHAREHOLDERS**

May 19, 2015

This proxy statement is furnished in connection with the solicitation on behalf of the Board of Directors (“Board”) of MMA Capital Management, LLC, a Delaware limited liability company (“we”, “us”, “our”, “MMA” or the “Company”), of proxies to be voted at our annual meeting of shareholders to be held Tuesday, May 19, 2015, at 1:00 p.m. EDT and any and all adjournments or postponements of the meeting.

**IMPORTANT NOTICE REGARDING THE INTERNET AVAILABILITY OF PROXY MATERIALS FOR THE ANNUAL SHAREHOLDERS MEETING TO BE HELD ON MAY 19, 2015.** This proxy statement, the accompanying proxy card or voting instruction card and our 2014 Annual Report to Shareholders on Form 10-K are available at <http://mmacapitalmanagement.investorroom.com>.

The entire cost of this solicitation of proxies will be borne by us. Solicitation, commencing on or about April 6, 2015 will be made by use of the mails, telephone and fax, by our regular employees without additional compensation.

### **Voting Rights**

Only holders of record of our common shares on March 24, 2015, the record date, will be entitled to vote at the annual meeting. Each holder of record will be entitled to one vote on each matter for each common share held on the record date. The share transfer books will not be closed. On the record date, there were 7,142,989 common shares outstanding. A majority of the issued and outstanding common shares (or 3,571,495 common shares) must be present or represented by proxy at the annual meeting in order to have a quorum. Persons voting by proxy will be deemed present at the meeting even if they abstain from voting on any or all of the proposals presented for shareholder action. Shares held by brokers who vote such shares on any proposal and broker non-votes will be counted present for purposes of establishing a quorum. A broker non-vote occurs when a bank, broker or other holder of record holding shares for a beneficial owner submits a proxy for the annual meeting but does not vote on a particular proposal, including in this case the election of directors and the advisory vote on named executive officer compensation, because that holder does not have discretionary voting power with respect to those proposals and has not received instructions from the beneficial owner. In contrast, a bank, broker or other holder of record holding shares for a beneficial owner does have discretionary voting power with respect to the ratification of the appointment of the independent registered public accounting firm.

In the election of directors, a nominee will be elected if the votes cast “for” the nominee constitute a majority of the common shares present or represented by proxy and voting at a meeting at which a quorum is present. Shareholders may not cumulate votes in the election of directors. The advisory votes on named executive officer compensation and the ratification of the appointment of KPMG, LLP (“**KPMG**”) as our independent registered public accounting firm, also require the affirmative vote of a majority of the common shares present or represented by proxy and voting at a meeting at which a quorum is present. Abstentions and broker non-votes have no effect on the determination of whether a nominee, the advisory vote or the appointment of KPMG has received the vote of a majority of the common shares present or represented by proxy and voting at the meeting.

If the persons present or represented by proxy at the annual meeting constitute the holders of less than a majority of the issued and outstanding common shares as of the record date, the annual meeting may be adjourned either indefinitely or to a subsequent date for the purpose of obtaining a quorum. The inspector of elections appointed for the annual meeting will separately tabulate affirmative and negative votes, abstentions and broker non-votes.

### **Internet Availability of Proxy Materials**

In accordance with Securities and Exchange Commission rules, we are using the Internet as our primary means of furnishing proxy materials to shareholders for our 2015 annual meeting. Consequently, our shareholders will not receive paper copies of our proxy materials unless they request paper copies by following the instructions in the Notice of Internet Availability of Proxy Materials. On April 6, 2015, we mailed to our shareholders a Notice of Internet Availability of Proxy Materials with instructions for accessing the proxy materials, including this proxy statement and our 2014 Annual Report to Shareholders. The Notice of Internet Availability of Proxy Materials also contains instructions for accessing your proxy card to be able to vote through the Internet or telephone.

Internet distribution of our proxy materials is designed to make the proxy distribution process more efficient and less costly and to help conserve natural resources. However, if you received a Notice of Internet Availability of Proxy Materials by mail and would like to receive a printed copy of our proxy materials, please follow the instructions for requesting such materials contained on such notice.

### **Admission to Meeting**

You are entitled to attend the annual meeting if you were a holder of record or a beneficial owner of our common shares as of March 24, 2015, the record date, or you hold a valid legal proxy for the annual meeting. If you are a holder of record, you may be asked to present valid picture identification, such as a driver's license or passport, for admission to the annual meeting.

If your shares are registered in the name of a bank or brokerage firm (your record holder), you may be asked to provide proof of beneficial ownership as of the record date, such as a brokerage account statement, a copy of the Notice of Internet Availability or voting instruction form provided by your bank, broker or other holder of record, or other similar evidence of ownership, as well as picture identification, for admission. If you wish to be able to vote in person at the annual meeting, you must obtain a legal proxy from your brokerage firm, bank or other holder of record and present it to the inspector of elections with your ballot at the annual meeting.

### **Recommendations of the Board of Directors**

Our Board of Directors recommends that you vote:

**FOR** the nominee of the Board of Directors (Proposal No. 1);

**FOR** the non-binding advisory approval of our named executive officer compensation (Proposal No. 2); and

- **FOR** the ratification of the appointment of KPMG as our independent registered public accounting firm for the fiscal year ending December 31, 2015 (Proposal No. 3).

### **Voting via the Internet, by Telephone or by Mail**

For holders whose shares are registered in their own names, as an alternative to voting in person at the annual meeting, you may vote via the Internet, by telephone or, for those shareholders who request and receive a paper proxy card in the mail, by mailing a completed proxy card. The Notice of Internet Availability of Proxy Materials provides information on how to access your proxy card, which contains instructions on how to vote via the Internet or by telephone. For those shareholders who request and receive a paper proxy card, instructions for voting via the Internet or by telephone are set forth on the proxy card. Those shareholders who request and receive a paper proxy card and voting instructions by mail, and who elect to vote by mail, should sign and return the mailed proxy card in the prepaid and addressed envelope that was enclosed with the proxy materials, and your shares will be voted at the annual meeting in the manner you direct. In the event that you return a signed proxy card (by mail or via the Internet) on which no directions are specified, your shares will be voted **FOR** the nominee of the Board of Directors (Proposal No. 1), **FOR** the non-binding advisory approval of our named executive officer compensation (Proposal No. 2), and **FOR** the ratification of the appointment of KPMG as our independent registered public accounting firm for the fiscal year ending December 31, 2015 (Proposal No. 3), and in the discretion of the proxy holders as to any other matters that may properly come before the annual meeting or any postponement or adjournment of the annual meeting.

If your shares are registered in the name of a bank or brokerage firm (your record holder), you will receive instructions from your record holder that you must follow in order for your record holder to vote your shares per your instructions. Many banks and brokerage firms have a process for their beneficial holders to provide instructions via the Internet or over the telephone. If Internet or telephone voting is unavailable from your bank or brokerage firm, please complete and return the voting instruction card supplied by them in the addressed, postage paid envelope provided.

## **Revocation of Proxies**

You may revoke or change a previously delivered proxy at any time before the annual meeting by delivering another proxy with a later date, by voting again via the Internet or by telephone, or by delivering written notice of revocation of your proxy to MMA Capital Management, LLC's Secretary at our principal executive offices before the beginning of the annual meeting. You may also revoke your proxy by attending the annual meeting and voting in person, although attendance at the annual meeting will not, in and of itself, revoke a valid proxy that was previously delivered. If you hold shares through a bank or brokerage firm, you must contact that bank or brokerage firm to revoke any prior voting instructions. You also may revoke any prior voting instructions by voting in person at the annual meeting if you obtain a legal proxy as described under "Admission to Meeting" above.

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**I. matters to be considered at the annual meeting**

**Proposal 1 — Election of Director**

The Board of Directors of MMA Capital Management, LLC is divided into three classes with the directors in each class serving for a term of three years. The term of office of one class of directors expires each year in rotation so that one class is elected at each annual meeting for a full three-year term. The Company's Operating Agreement provides that the Board of Directors must have between five and 15 members.

All directors have been elected to their current terms at an annual meeting (other than J.P. Grant who was appointed to the Board of Directors on January 1, 2013). Mr. Grant is standing for election at this annual meeting as described below. According to our bylaws, if the director nominee is not elected at our annual meeting, or if we are unable to achieve a quorum to transact business at our annual meeting (including any adjournment), then our current directors will continue to serve until their successors have been duly elected and qualified at the next annual meeting or their earlier death, resignation or removal.

Mark K. Joseph, Douglas A. McGregor and Fred N. Pratt each retired from, or elected not to stand for re-election to, the Board during 2014. The seats for Messrs. Joseph, McGregor and Pratt were not filled during 2014.

Information about the company's directors

The name and principal occupation for the last five years, period of service as a director of the Company and certain other directorships of each director are set forth below.

**NOMINEE FOR DIRECTOR**

**Director with a Term Expiring at the 2015 Annual Meeting**

**Class III**



*J. P. Grant, 61*, has served on the Board since January 1, 2013. Mr. Grant is the founder, President and CEO at Grant Capital Management, Inc. (previously First Municipal Credit Corporation), where he has specialized in providing tax-exempt financing to city and state governments since the company's founding in 2000. Prior to that, he held positions in major account sales for IBM Corporation - Public Sector and Federal Data Corporation.

Mr. Grant was selected to serve on our Board based on his extensive experience in the field of municipal finance, executive leadership experience and entrepreneurial background. Mr. Grant is the Chairman of the Company's Governance Committee.

**The Board of Directors unanimously recommends that you vote FOR the election of THIS nominee as A director to A term expiring at the 2018 Annual Meeting.**

## MEMBERS OF THE BOARD OF DIRECTORS CONTINUING IN OFFICE

### Directors with Terms Expiring at the 2016 Annual Meeting

#### Class I

**Michael L. Falcone, 53**, has been a director of MMA since 1999. Mr. Falcone has been the Chief Executive Officer and President of MMA since January 1, 2005. Prior to his appointment as our Chief Executive Officer, he served as Chief Operating Officer since 1997. Prior to joining MMA, he was a Senior Vice President of Shelter Development Corporation, where he was employed from 1983 to 1996.

Mr. Falcone's qualifications to serve as a director include his extensive executive experience with MMA and his broad familiarity with the real estate development and finance industries. As the Chief Executive Officer of MMA, Mr. Falcone provides the executive and operational leadership for MMA.

**Frederick W. Puddester, 60**, was appointed to the Board of Directors on August 10, 2011. Beginning July 1, 2011, Mr. Puddester is the Vice President for Finance and Administration for Williams College where he is responsible for financial reporting, planning and forecasting as well as debt financing and tax compliance. From 2007 to 2011, prior to joining Williams College, Mr. Puddester served as senior associate dean for finance and administration at the Johns Hopkins University Zanvyl Krieger School of Arts and Sciences. From 2000 to 2007, Mr. Puddester served as the executive director of budget and financial planning for Johns Hopkins University.

From 2000 until he joined the Company's Board of Directors, Mr. Puddester served on the board of MuniMae TE Bond Subsidiary, LLC, an entity whose common shares were wholly owned by the Company prior to selling those shares to a third party in 2013.

Mr. Puddester's qualifications to serve as a director include his extensive financial management expertise and his familiarity with the Company through his service on the board of MuniMae TE Bond Subsidiary, LLC. Mr. Puddester's affiliation with the Company and his prior work experience position him to be a valuable member of the Company's Board of Directors. Mr. Puddester is the Chairman of the Company's Compensation Committee.

**Francis X. Gallagher, Jr., 55**, was appointed to the Board of Directors on February 6, 2012 and elected Chairman on March 17, 2014. Mr. Gallagher is a Managing Partner at Charlesmead Advisors LLC, where he leads investment banking efforts to focused subsectors within the telecommunications industry, including wireline and wireless services and internet infrastructure. From 2005 to 2011, Mr. Gallagher was a Managing Director at Stifel Nicolaus Weisel, Incorporated, a leading investment bank, where he managed and led the Telecommunications Industry Banking Group. From 1997 to 2005, Mr. Gallagher spent eight years in a variety of executive positions with Legg Mason Wood Walker Incorporated, where he was responsible for investment banking coverage of a variety of large and small-capitalization telecommunications companies.

Mr. Gallagher's qualifications to serve on the Board include his corporate securities knowledge, senior management and investment banking experience.

### **Directors with Terms Expiring at the 2017 Annual Meeting**

#### **Class II**

**Steven S. Bloom, 53**, has been a director of MMA since August 7, 2013. Since 2002, Mr. Bloom has been a Managing Partner of PMC Property Group, a private company that invests in and operates multifamily housing in the United States. In his capacity as Managing Partner, Mr. Bloom is in charge of the operations of the Baltimore office of PMC Property Group. Prior to that, Mr. Bloom was with the accounting firm of Arthur Andersen LLP for nearly 20 years, including 10 years as a partner in their Baltimore office.

Mr. Bloom was first selected as a director in 2013 based on his significant executive experience with real estate investment companies and his public accounting background. As the current Chairman of MMA's Audit Committee, Mr. Bloom has worked closely with the Company's finance and audit executives and independent auditors.

## **BOARD OF DIRECTORS MATTERS**

### **Board Composition**

Our Board of Directors currently consists of five members, each of whom was elected by the Company's shareholders with the exception of Mr. Grant, who was appointed to the Board of Directors on August 7, 2013 and stands for election at this annual meeting.

### **Corporate Governance Guidelines**

We have Corporate Governance Guidelines ("**Guidelines**"), which are available on our website at [www.mmacapitalmanagement.com](http://www.mmacapitalmanagement.com) under "Leadership – Governance," then "Corporate Governance Guidelines." These Guidelines contain general principles regarding the function of our Board and Board committees. The Guidelines are reviewed on an annual basis by the Governance Committee of the Board, which submits to the Board for approval any changes deemed desirable or necessary.

### **Independence of Directors**

Our Guidelines require that a majority of the Board of Directors be comprised of independent directors. The listing rules of the NASDAQ Stock Market ("NASDAQ") for director independence are incorporated in our Guidelines, which are used by the Board in making independence determinations. For a director to be considered independent under the NASDAQ listing rules, the Board must affirmatively determine that the director has no relationship with the Company that would interfere with the exercise of independent judgment in carrying out the responsibilities of a director. The Board has determined that the following directors are independent: Messrs. Bloom, Gallagher, Grant and Puddester.

### **Board Leadership Structure**

Our Board leadership structure currently separates the roles of Chairman and Chief Executive Officer ("CEO"). Our Chairman is a non-employee director. The current CEO is the sole member of the Board that is also an employee. Our Board's role in the Company is to provide general oversight of strategy and operations. Four of our five directors are independent. These independent directors have no conflict that might discourage critical review of the Company's management and operations. In addition, chairmanship of the various Board committees is held by independent

directors and our internal controls are monitored by the Audit Committee, which is comprised entirely of independent directors.

Our Board monitors our risks as a Company through a comprehensive risk matrix which is updated by management and reviewed by the Board throughout the year. The matrix details all of our operating, accounting, financial, legal and regulatory risks and assigns a probability and severity analysis to each risk. Significant changes are highlighted and discussed at Board meetings throughout the year.

### **Qualification for Board Membership**

The Board has the responsibility for nominating candidates for election to the Board and for filling vacancies on the Board as they arise, while the Governance Committee is responsible for identifying and recommending qualified individuals to serve as members of the Board. The Guidelines and the Governance Committee's charter require the Board and the Governance Committee to establish criteria for selecting new directors, which reflects at a minimum a candidate's strength of character, judgment, business experience, specific areas of expertise, factors relating to the composition of the Board, including its size and structure, and principles of diversity, including age, skills, knowledge and other factors needed to maintain a balance of knowledge, experience and capability on the Board. Further, no independent director of the Company may serve on the boards of more than four other publicly traded companies in addition to serving on our Board and no Chief Executive Officer who is also a director may serve on the boards of more than two other publicly traded companies. Currently, all directors are in compliance with these requirements and expectations.

### **Shareholder Recommendations of Potential Director Candidates**

The Governance Committee will consider director candidates recommended by shareholders. The Governance Committee applies the same standards in evaluating candidates submitted by shareholders as it does in evaluating candidates submitted by other sources. Shareholders who wish to submit names to be considered by the Governance Committee for nomination for election to the Board of Directors should send written notice to the Secretary of the Company at least 60 days but no more than 90 days prior to the anniversary of the date on which the proxy statement was first mailed relating to the immediately preceding annual meeting of shareholders, which notice should set forth the required information that is specified in our bylaws. Suggestions regarding potential director candidates, together with the supporting information concerning the potential candidate's qualifications, should be submitted in writing to:

Governance Committee

MMA Capital Management, LLC

c/o Corporate Secretary

621 East Pratt Street, Suite 600

Baltimore, Maryland 21202

### **Code of Ethics and Principles of Business Integrity**

We have a Code of Ethics and Principles of Business Integrity that is applicable to all of our employees and directors, including our principal executive officer, principal financial officer, principal accounting officer or controller, and persons performing similar functions. The Code of Ethics and Principles of Business Integrity is available on our website, [www.mmacapitalmanagement.com](http://www.mmacapitalmanagement.com), and in print without charge, upon the request of any shareholder, by mail to our Corporate Secretary, MMA Capital Management, LLC, at our Baltimore office.

### **Executive Session**

Pursuant to our Guidelines, the independent directors of the Board meet in regularly scheduled sessions without the presence of management. The chair of these executive sessions until his retirement on March 14, 2014 was Mr. Pratt. Subsequent to March 14, 2014, the executive sessions have been chaired by Mr. Gallagher.

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

Shareholders and other interested parties may communicate with one or more members of our Board by writing to the Board, or a specific director at:

Board of Directors (or specific director)

MMA Capital Management, LLC

c/o Corporate Secretary

621 East Pratt Street, Suite 600

Baltimore, Maryland 21202

### **Available Information**

Our website address is [www.mmacapitalmanagement.com](http://www.mmacapitalmanagement.com). We make available free of charge through our website our annual report on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K and amendments to those reports filed or furnished pursuant to Section 13(a) or 15(d) of the Exchange Act as soon as reasonably practicable after such documents are electronically filed with, or furnished to, the Securities and Exchange Commission (“SEC”). Our website also includes our Guidelines, Code of Ethics and the charters of our Audit Committee, Compensation Committee and Governance Committee. These documents are also available in print to any shareholder upon request.

## Board Committees

The Board of Directors has appointed the following Board Committees:

*Audit Committee.* The Audit Committee assists the Board of Directors in fulfilling its oversight responsibility relating to:

• The integrity of our financial statements, the financial reporting process, and internal controls over financial reporting;

- The performance of our internal audit function;

• The appointment, engagement and performance of our independent registered public accounting firm and the evaluation of the independent registered public accounting firm's qualifications and independence; and

• Compliance with our Code of Ethics and Principles of Business Integrity, and legal and regulatory requirements, including our disclosure controls and procedures.

In so doing, it is the responsibility of the Audit Committee to maintain free and open communication between the Audit Committee, the independent registered public accounting firm, the internal auditors and our management and to resolve any disagreements between management and the independent registered public accounting firm regarding financial reporting. The Audit Committee also performs other duties and responsibilities set forth in a written Charter approved by the Board of Directors. The Charter of the Audit Committee is available on the Company's website at [www.mmacapitalmanagement.com](http://www.mmacapitalmanagement.com) under "Leadership – Governance," then "Audit Committee Charter."

During 2014, membership on the Audit Committee consisted of Mr. Bloom, Chairman of the Committee, and Messrs. Gallagher, Grant, Pratt and Puddester. Mr. Pratt's participation on the Audit Committee ended with his retirement on March 14, 2014. The Audit Committee held four meetings during 2014.

The Board and the Governance Committee have determined that all members of the Audit Committee satisfy the independence requirements of NASDAQ's listing rules and our Guidelines. No member of the Audit Committee is permitted to serve on the Audit Committee of more than three public companies, including our Company. Currently, no member of the Audit Committee serves on the audit committee of any other public company.



The Board has determined that Mr. Puddester qualifies as an “audit committee financial expert” under SEC rules. In accordance with the SEC's safe harbor relating to audit committee financial experts, a person designated as an audit committee financial expert will not be deemed an “expert” for purposes of the federal securities laws. In addition, such designation does not impose on such person any duties, obligations or liabilities that are greater than those imposed on such person as a member of the Audit Committee and Board of Directors in the absence of such designation, and does not affect the duties, obligations or liabilities of any other member of the Audit Committee or Board of Directors.

*Compensation Committee.* The Compensation Committee of the Board has the following principal duties and responsibilities:

Review our executive compensation policy and programs to ensure that they (1) effectively motivate the CEO and other executive officers and key employees to achieve our financial goals and strategic objectives; (2) properly align the interests of these employees with the long-term interests of our shareholders; and (3) are sufficiently competitive to attract and retain the executive resources necessary for the successful management of our businesses;

Review trends in management compensation, oversee the development of new compensation plans (including performance-based, equity-based and other incentive programs as well as salary, bonus and deferred compensation arrangements) and, when appropriate, make recommendations to the Board regarding new plans and revisions to existing plans;

Annually review and approve corporate goals and objectives relevant to the compensation of our Chief Executive Officer and other executive officers and key employees, evaluate the performance of such individuals and approve the compensation for such individuals;

- Annually evaluate the compensation of the members of the Board; and

• Review our management succession plan for the Chief Executive Officer and other executive officers and key employees.

These duties and responsibilities are set forth in a written Charter of the Compensation Committee which has been approved by the Board of Directors and is available on our website at [www.mmacapitalmanagement.com](http://www.mmacapitalmanagement.com) under “Leadership – Governance,” then “Compensation Committee Charter.” Pursuant to the Charter, the Compensation Committee has the authority to delegate certain of its responsibilities to a subcommittee.

The Compensation Committee has the authority to administer our equity plans for the Chief Executive Officer and other executive officers. The Compensation Committee is responsible for all determinations with respect to participation, the form, amount and timing of any awards to be granted to any such participants, and the payment of any such awards. Senior management has the authority to administer our equity plans for all other participants.

Our Chief Executive Officer provides recommendations to the Compensation Committee with respect to the wage level, base salary amounts, performance targets for annual incentive and long-term incentive bonus programs and any adjustments to the cash value for equity grants for each named executive officer. These compensation recommendations are based on the Chief Executive Officer’s subjective review of each officer’s overall performance and contribution to MMA during the prior year. While the Compensation Committee considers the recommendations of the Chief Executive Officer with respect to these elements of compensation, the Compensation Committee independently evaluates the recommendations and makes all final compensation decisions for those officers. Decisions with respect to the compensation of the Chief Executive Officer are made solely by the Compensation Committee in executive session. Other than our Chief Executive Officer, no other executive officer of MMA had any role in determining or recommending the amount or form of executive officer or director compensation during 2014.

During 2014, membership on the Compensation Committee consisted of Messrs. Puddester, Bloom, Gallagher, Grant and McGregor. Mr. McGregor served as Chairman until his retirement on May 20, 2014 and was succeeded by Mr. Puddester. All members of the Compensation Committee qualify as independent directors under our Guidelines and the NASDAQ listing rules. The Compensation Committee held five meetings during 2014.

*Governance Committee.* The Governance Committee assists the Board by:

- Developing and implementing corporate governance guidelines;

- Identifying and recommending qualified individuals to serve as members of the Board;

Evaluating and recommending the size and composition of the Board and its Committees (including making determinations concerning composition of the Board and its Committees under the applicable requirements of the SEC); and

- Monitoring a process to assess the effectiveness of the Board and its Committees.

The Governance Committee is also responsible for performing other duties and responsibilities set forth in a written Charter approved by the Board of Directors. The Charter of the Governance Committee is available on our website at [www.mmacapitalmanagement.com](http://www.mmacapitalmanagement.com) under “Leadership – Governance,” then “Governance Committee Charter.”

During 2014, membership on the Governance Committee consisted of Messrs. Grant, Bloom, Gallagher, McGregor, Pratt and Puddester. Mr. Gallagher served as Chairman until his election as Chairman of the Board on March 17, 2014 and was succeeded by Mr. Grant. Mr. Pratt served until his retirement on March 14, 2014 and Mr. McGregor served through the end of his term on May 20, 2014. The Governance Committee held three meetings during 2014. All members of the Governance Committee qualify as independent directors under our Guidelines and NASDAQ listing rules.

### **Director Attendance at Meetings**

During fiscal year 2014, there were four regular quarterly meetings of the Board, plus one additional regular meeting in the first quarter. Also, the Board held four special meetings which were conducted as either formal meetings or executive sessions. Each Director attended at least 75% of the total number of combined meetings of the Board and the Board Committees on which he served. Two members of the Board were present at the 2014 annual meeting.

## **IDENTIFICATION OF EXECUTIVE OFFICERS**

Listed below are the executive officers of the Company as of March 24, 2015.

***Michael L. Falcone, 53***, has been a director of MMA since 1999. Mr. Falcone has been the Chief Executive Officer and President of MMA since January 1, 2005. Prior to his appointment as our Chief Executive Officer, he served as Chief Operating Officer since 1997. Prior to joining MMA, he was a Senior Vice President of Shelter Development Corporation, where he was employed from 1983 to 1996. Mr. Falcone is a graduate of Dartmouth College and the Harvard Business School.