

UNITED INSURANCE HOLDINGS CORP.
Form DEF 14A
April 04, 2019

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
Filed by the Registrant R 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))
R Definitive Proxy Statement
£ Definitive Additional Materials
£ Soliciting Materials Pursuant to §240.14a-12

UNITED INSURANCE HOLDINGS CORP.
_____(Name of Registrant as Specified in its
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(3) Filing Party:
(4) Date Filed:

UNITED INSURANCE HOLDINGS CORP.
800 2nd Avenue S.
St. Petersburg, FL 33701

April 4, 2019

Dear Stockholder:

You are cordially invited to attend the Annual Meeting of Stockholders of United Insurance Holdings Corp. (UPC Insurance, the Company, us, our, and we), which will be held at 1:00 p.m. Eastern Time on Tuesday, May 7, 2019, at our principal executive offices located at 800 2nd Avenue S., St. Petersburg, Florida 33701.

Important information about the matters to be acted upon at the meeting is included in the accompanying notice and proxy statement. Our 2018 annual report, which we are sending to you along with the proxy statement, contains information about us and our performance.

Kind regards,

/s/ John L. Forney
John L. Forney, CFA
President and Chief Executive Officer

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS
TO BE HELD ON MAY 7, 2019

WE HEREBY GIVE NOTICE that the 2019 Annual Meeting of Stockholders ("Annual Meeting") of United Insurance Holdings Corp., will be held at 1:00 p.m., Eastern Time, on Tuesday, May 7, 2019, at our principal executive offices located at 800 2nd Avenue S., St. Petersburg, Florida 33701, for the following purposes:

1. To elect Gregory C. Branch, R. Daniel Peed, John L. Forney, Michael R. Hogan, and Kent G. Whittemore to serve as Class A directors of our Board of Directors until our 2021 annual meeting of stockholders;
2. To ratify the appointment of Deloitte & Touche LLP as our independent registered public accounting firm for the fiscal year ending December 31, 2019;
3. To approve, on an advisory basis, the compensation of our named executive officers as disclosed in the accompanying proxy statement;
4. To approve, on an advisory basis, the frequency of holding future advisory votes on the compensation of our named executive officers; and
5. To transact such other business as may properly come before the Annual Meeting or any adjournment or postponement of the Annual Meeting.

Our Board of Directors ("Board") recommends that our stockholders vote FOR the election of each of the Class A director nominees named above, FOR the ratification of the appointment of Deloitte & Touche LLP as our independent registered public accounting firm for the fiscal year ending December 31, 2019, FOR the approval, on an advisory basis, of the compensation of our named executive officers, and for THREE YEARS with respect to the advisory vote on the frequency of holding future advisory votes on the compensation of our named executive officers.

Holders of shares of our common stock at the close of business on March 27, 2019 (the "Record Date") are entitled to notice of, and to vote at, the Annual Meeting and at any adjournment or postponement that may take place. A list of stockholders entitled to vote at the meeting will be made available for the examination of any stockholder at the Annual Meeting and for ten days prior to the Annual Meeting at our principal executive offices located at 800 2nd Avenue S., St. Petersburg, Florida 33701.

We cordially invite you to attend the Annual Meeting. To gain admission, you must have owned shares of our common stock as of the Record Date and present a valid, government-issued, picture identification. If your shares are registered directly in your name, we will compare your name to the list of registered stockholders to verify your share ownership. If your shares are in the name of your broker, bank, or other nominee, you must bring evidence of your share ownership, such as your most recent account statement or a legal proxy from your broker, bank, or other nominee. If you do not meet these requirements, we will not admit you to the Annual Meeting. All packages and bags are subject to inspection. No cameras or other recording devices are permitted.

Your vote is extremely important. We appreciate you taking the time to vote promptly. After reading the accompanying proxy statement, please vote at your earliest convenience by Internet or by mailing your completed proxy card. Instructions regarding the voting methods are described in the accompanying proxy statement.

Dated: April 4, 2019 By order of the Board,
/s/ Brad Kalter
Corporate Secretary

**IMPORTANT NOTICE REGARDING THE AVAILABILITY OF PROXY MATERIALS FOR THE
STOCKHOLDER MEETING TO BE HELD ON MAY 7, 2019.**

To access our Proxy Statement for the 2019 Annual Meeting of Stockholders and our 2018 Annual Report, please visit

<http://www.proxydocs.com/UIHC>

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UNITED INSURANCE HOLDINGS CORP.
PROXY STATEMENT FOR 2019 ANNUAL MEETING OF STOCKHOLDERS

GENERAL INFORMATION

CONCERNING THE ANNUAL MEETING AND VOTING

You are invited to attend UPC Insurance's Annual Meeting. This proxy statement ("Proxy Statement") contains information about the Annual Meeting, including meeting logistics, matters up for vote, how to vote, and answers to other frequently asked questions. The Notice of Annual Meeting of Stockholders, this Proxy Statement, the accompanying proxy card, and our 2018 Annual Report, are first being mailed to stockholders on or about April 4, 2019.

MEETING INFORMATION

DATE

May 7, 2019

TIME

1:00 p.m. Eastern Time

LOCATION

800 2nd Avenue S., St. Petersburg, Florida 33701

ATTENDING IN PERSON

To attend our Annual Meeting and vote in person, please follow the instructions described in this Proxy Statement in the section entitled Attendance. We encourage you to register your attendance in advance by contacting Jessica Strathman, Director of Financial Reporting, at (727) 895-7737.

CONTACTING THE COMPANY

Unless otherwise noted in the Proxy Statement, requests for documents and/or information, submissions of proposals or nominations, proxy revocations or other official communications should be submitted in writing to the following address:

VOTING FAQs

Who is soliciting my proxy?

AGENDA

Elect the 5 Class A director nominees named in this Proxy Statement

Your Board recommends a vote FOR each Class A director nominee read more on page 5

Ratify the appointment of Deloitte & Touche LLP ("Deloitte") as our independent registered public accounting firm for fiscal 2019 Your Board and the Audit Committee recommend a vote FOR this proposal read more on page 15

Approve, on an advisory basis, the compensation of our named executive officers as disclosed in this Proxy Statement

Your Board recommends a vote FOR this proposal read more on page 17

Approve, on an advisory basis, the frequency of future advisory votes on the compensation of our named executive officers

Your Board recommends a vote of THREE YEARS for this proposal read more on page 17

United Insurance Holdings Corp.
800 2nd Avenue S.
St. Petersburg, Florida 33701
Attention: Corporate Secretary

Our Board is soliciting the proxy accompanying this Proxy Statement. We will bear the entire cost of solicitation, including the preparation, assembly, printing, and mailing of this Proxy Statement, the proxy card, and any additional information we furnish to our stockholders. We may solicit proxies through the mail, or our directors, executive officers, and other employees may solicit proxies in person or by telephone. We will not pay any

additional compensation to our directors, executive officers, or other employees for their services with regard to proxy solicitation. We will also request brokers, banks, and other holders of record to forward proxy materials, at our expense, to the beneficial owners of our shares.

Who can vote?

Our Board has fixed the record date for the determination of stockholders entitled to notice of, and to vote at, our Annual Meeting as the close of business on March 27, 2019 (the "Record Date"). As of the Record Date, there were 42,974,421 shares of our common stock outstanding and entitled to vote. Each share of our common stock is entitled to one vote on each of the matters to be voted on at the Annual Meeting.

How do I vote?

If you are a stockholder of record, you may vote as follows:

By Internet: You may vote via the Internet, by following the instructions on your proxy card. The proxyholders appointed by the Board will vote your shares in accordance with your instructions.

By mail: You may vote by mail by marking, dating and signing your proxy card and returning it in the pre-paid envelope provided. The proxyholders appointed by the Board will vote your shares in accordance with your instructions.

In person at the Annual Meeting: You may vote in person by ballot at the Annual Meeting. Please note that even if you plan to attend the Annual Meeting, we encourage you to submit a proxy in advance to ensure your shares are represented.

If you hold your shares beneficially in "street name," through a broker, bank, or other nominee, you may vote by following the instructions provided with the proxy materials. Stockholders who hold their shares in street name may vote in person at the Annual Meeting only if they provide a legal proxy, executed in their favor, from the holder of record of their shares, as described below in the subsection entitled Attendance.

Can I revoke my proxy?

If you are a stockholder of record, you may revoke your proxy at any time before the vote at our Annual Meeting by submitting written notice as described above under Contacting the Company, by delivering a proxy bearing a later date prior to the Annual Meeting or by attending the Annual Meeting and voting in person. If you hold your shares in street name, you must follow the instructions provided by your broker, bank, or other nominee to revoke your proxy.

How many votes must be present to hold the Annual Meeting?

The presence of the holders of a majority of the outstanding shares of our common stock entitled to vote at the Annual Meeting, present in person or represented by proxy, is necessary to constitute a quorum. Abstentions and "broker non-votes" are counted as present and entitled to vote for the purpose of determining whether a quorum is present. A "broker non-vote" occurs when a broker, bank or other nominee, holding shares for a beneficial owner, does not vote on a particular proposal because that holder does not have discretionary voting power for that particular item and has not received instructions from the beneficial owner. If their clients do not provide voting instructions, brokers may not vote on behalf of their clients with respect to: (i) the election of directors (Proposal One), (ii) the advisory approval of the compensation of our named executive officers (Proposal Three) and (iii) the advisory approval of the frequency of future advisory votes on the compensation of our named executive officers (Proposal Four). Brokers have discretionary voting power with respect to Proposal Two.

What is the required vote for each proposal?

Proposal One (Election of Directors): The nominees for Class A directors will be elected by a majority of the votes cast with respect to such director nominee's election. On March 28, 2019, the Board of Directors amended the Company's by-laws to provide for the election of directors by a majority of the votes cast, except in the case of contested elections. A "majority of votes cast" means that the number of shares voted "for" a director nominee must exceed the number of votes cast "against" that director nominee's election. Abstentions will not affect the outcome of the vote on Proposal

One. Your broker is not permitted to vote your shares on this matter if no instructions are received from you, and broker non-votes will have no effect on the outcome of Proposal One.

Proposal Two (Ratification of the Appointment of our Independent Registered Public Accounting Firm): Our Second Amended and Restated Certificate of Incorporation (the "Certificate of Incorporation") provides that the holders of a majority of common stock present in person or represented by proxy, and entitled to vote at the Annual Meeting, may ratify any act submitted to the stockholders for ratification. Accordingly, the appointment of Deloitte as our independent registered public accounting firm for the fiscal year ending December 31, 2019 will be ratified if the number of "for" votes cast on Proposal Two exceeds the number of "against" and "abstain" votes. Abstentions will be included in the calculation of the number of shares represented and entitled to vote at the Annual Meeting and will therefore count as votes against the ratification of the appointment of Deloitte. Brokers will have discretionary authority to vote on Proposal Two.

Even if stockholders ratify the appointment of Deloitte, our Audit Committee in its discretion may appoint a different independent registered public accounting firm at any time during the year if it determines that such a change would be in the Company's best interest and, thus, in our stockholders' best interest.

Proposal Three (Approval, on an Advisory Basis, of the Compensation of our Named Executive Officers): The resolution to approve the compensation of our named executive officers, as disclosed in this Proxy Statement, is advisory and is not binding on the Company, our Board, or our Compensation and Benefits Committee. The Compensation and Benefits Committee will, however, consider the outcome of the vote on this proposal when making future executive compensation decisions. In order to approve Proposal Three, the holders of a majority of the common stock, present in person or represented by proxy, and entitled to vote at the Annual Meeting, must vote "for" this proposal. Abstentions will have the same effect as votes against Proposal Three. Your broker is not entitled to vote your shares on this matter if no instructions are received from you, and broker non-votes will have no effect on the outcome of Proposal Three.

Proposal Four (Approval, on an Advisory Basis, of the Frequency of Future Advisory Votes on the Compensation of our Named Executive Officers): The resolution to approve the frequency of future advisory votes on the compensation of our named executive officers is advisory and is not binding on the Company, our Board, or our Compensation and Benefits Committee. The frequency of the advisory vote receiving the greatest number of votes (i.e., every one, two, or three years) will be considered the frequency recommended by stockholders. Abstentions will have no effect on the outcome of Proposal Four. Your broker is not entitled to vote your shares on this matter if no instructions are received from you, and broker non-votes will have no effect on the outcome of Proposal Four.

What is the Board's voting recommendation?

The Board recommends a vote FOR the election of each of the Class A director nominees named in this Proxy Statement (Proposal One), FOR the ratification of the appointment of Deloitte as the Company's independent registered public accounting firm for fiscal 2019 (Proposal Two), FOR the approval, on an advisory basis, of the compensation of our named executive officers as disclosed in this Proxy Statement (Proposal Three), and for THREE YEARS with respect to the approval, on an advisory basis, of the frequency of holding future advisory votes on the compensation of our named executive officers (Proposal Four).

Are there any other matters to be presented at the Annual Meeting?

The Company does not know of any other matter to be raised at the Annual Meeting. If any other matters are properly presented at the Annual Meeting for consideration and you authorize a proxy to vote your shares, the persons named in the proxy will have the discretion to vote on those matters for you.

What happens if I sign and return a blank proxy card or voting instruction card?

If you are a stockholder of record and you properly mark, date, sign, and return a proxy card or use Internet voting procedures, as applicable, to authorize the named proxies to vote your shares, and your proxy card or other proxy authorization is received by the Company in time to be voted at the Annual Meeting, it will be voted as specified, unless it is properly revoked prior to the Annual Meeting.

If you are a stockholder of record and you date, sign and return a proxy card without giving specific voting instructions, your shares will be voted:

•“FOR” the election of each of the five Class A director nominees named in this Proxy Statement;

•“FOR” the ratification of the appointment of Deloitte as our independent registered public accounting firm for fiscal 2019;

•“FOR” the approval, on an advisory basis, of the compensation of our named executive officers, as disclosed in this Proxy Statement; and

•“THREE YEARS” with respect to the approval, on an advisory basis, of the frequency of holding future advisory votes on the compensation of our named executive officers.

If you hold your shares in street name via a broker, bank, or other nominee and do not provide the broker, bank, or other nominee with voting instructions (including by dating, signing and returning a blank voting instruction card), your shares:

•Will be voted in accordance with the broker’s discretion on “routine” matters, which includes only Proposal Two; and

•Will not be counted in connection with Proposal One, Proposal Three, or Proposal Four.

INSPECTOR OF ELECTIONS AND STOCKHOLDER LIST

We have appointed an Inspector of Elections for our Annual Meeting who will tabulate all of the votes at our Annual Meeting. For a period of ten (10) days prior to the Annual Meeting, any stockholder may appear at our principal executive offices, located at the address listed above, to examine a list of our stockholders entitled to vote at our Annual Meeting.

ATTENDANCE

All stockholders as of the close of business on the Record Date, or their duly appointed proxy holders, may attend our Annual Meeting. Registration will begin at 12:30 p.m. Eastern Time and persons attending should allow ample time for check-in procedures. If you attend, please note that you must present valid photo identification, such as a driver’s license or passport. If you are a stockholder of record, we will verify your name against the list of our stockholders as of the Record Date, prior to admittance to our Annual Meeting. If you are a beneficial holder and hold your shares in street name through a broker, bank or other nominee, you will need to present a copy of a brokerage statement or a legal proxy from your broker, bank or other nominee, reflecting your stock ownership as of the Record Date before you can be admitted to our Annual Meeting.

If you are a stockholder of record, you may attend our Annual Meeting and vote in person, regardless of whether you have previously voted by proxy card or via the Internet. If you are a beneficial holder and if you obtain a legal proxy from your broker, bank or other nominee and present it to the Inspector of Elections along with your ballot, you may vote in person at our Annual Meeting. We encourage you to vote your shares in advance of our Annual Meeting, even if you plan on attending. If you have already voted, you may nevertheless revoke your vote in the manner described above and vote in person at our Annual Meeting.

CORPORATE GOVERNANCE AND BOARD OF DIRECTORS INFORMATION

The Board oversees and monitors our management in the interest and for the benefit of our stockholders. We have posted our Corporate Governance Guidelines on our website at investors.upcinsurance.com, under the "Governance Documents" tab. In addition to our Corporate Governance Guidelines, the Company has adopted a Code of Conduct and Ethics, which is applicable to our directors, officers, and employees. The Code of Conduct and Ethics is also posted under the "Governance Documents" tab of our website at investors.upcinsurance.com. Although the information contained on or connected to our website is not part of this Proxy Statement, you can view additional information on our website, such as the reports that we file with the Securities and Exchange Commission (“SEC”). Copies of these documents may also be obtained free of charge by contacting the Company.

Our Board is currently comprised of ten directors, divided into two classes of even size. In accordance with our Certificate of Incorporation, each class of directors is elected for a two year term. The term of office for our Class A directors will expire at our Annual Meeting. The term of office for our Class B directors will expire at our 2020 annual meeting of stockholders.

The following table provides information regarding each of our current directors:

	AGE	POSITION	CURRENT TERM EXPIRES	DIRECTOR SINCE
CLASS A				
Gregory C. Branch	71	Chairman of the Board	2019	2008
R. Daniel Peed	56	Vice Chairman of the Board	2019	2017
John L. Forney	57	President, CEO, and Director	2019	2012
Michael R. Hogan	69	Director	2019	2017
Kent G. Whittemore	71	Director	2019	2008
CLASS B				
Alec L. Poitevint, II	71	Lead Director	2020	2008
Kern M. Davis, M.D.	64	Director	2020	2012
William H. Hood, III	58	Director	2020	2012
Sherrill W. Hudson				