

COMMUNITY FINANCIAL CORP /MD/
Form SC 13D
March 25, 2016
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
SCHEDULE 13D

Under the Securities Exchange Act of 1934

The Community Financial Corporation
(Name of Issuer)

Common Stock, par value \$0.01 per share
(Title of Class of Securities)

20368X101
(CUSIP Number)

Matthew Lindenbaum
Basswood Capital Management, L.L.C.
645 Madison Avenue, 10th Floor
New York, NY 10022
(212) 521-9500

(Name, Address and Telephone Number of Person
Authorized to Receive Notices and Communications)

(with copies to)
Michael A. Schwartz, Esq.
Willkie Farr & Gallagher LLP
787 Seventh Avenue
New York, NY 10019
(212) 728-8000

March 15, 2016

(Date of Event which Requires Filing of this Statement)

If the filing person has previously filed a statement on Schedule 13G to report the acquisition that is the subject of this Schedule 13D, and is filing this schedule because of §§240.13d-1(e), 240.13d-1(f) or 240.13d-1(g), check the following box:

Note: Schedules filed in paper format shall include a signed original and five copies of the schedule, including all exhibits. See Rule 240.13d-7 for other parties to whom copies are to be sent.

* The remainder of this cover page shall be filled out for a reporting person's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter disclosures provided in a prior cover page.

The information required on the remainder of this cover page shall not be deemed to be "filed" for the purpose of Section 18 of the Securities Exchange Act of 1934 ("Act") or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the Notes).

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Pages

1 NAME OF REPORTING
PERSON

Basswood Capital Management,
L.L.C.

2 CHECK THE
APPROPRIATE BOX (a)
IF A MEMBER OF A (b)
GROUP

3 SEC USE ONLY

4 SOURCE OF FUNDS
AF

5 CHECK IF
DISCLOSURE OF
LEGAL
PROCEEDINGS IS
REQUIRED
PURSUANT TO
ITEMS 2(d)
or 2(e)

6 CITIZENSHIP OR PLACE OF
ORGANIZATION
Delaware

7 NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH
SOLE VOTING POWER
0
SHARED VOTING POWER
456,209 (see Item 5)

9 SOLE
 DISPOSITIVE
 POWER
 0

10 SHARED
 DISPOSITIVE
 POWER
 456,209 (see
 Item 5)

11 AGGREGATE AMOUNT
 BENEFICIALLY OWNED BY
 EACH REPORTING PERSON
 456,209 (see Item 5)

12 CHECK IF THE
 AGGREGATE
 AMOUNT IN ROW
 (11) EXCLUDES
 CERTAIN
 SHARES (SEE
 INSTRUCTIONS)

13 PERCENT OF CLASS
 REPRESENTED BY
 AMOUNT IN ROW (11)
 9.81%

14 TYPE OF REPORTING
 PERSON (SEE
 INSTRUCTIONS)
 IA

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of 21
Pages

1 NAME OF REPORTING
PERSON

Basswood Partners, L.L.C.

2 CHECK THE
APPROPRIATE BOX (a)
IF A MEMBER OF A (b)
GROUP

3 SEC USE ONLY

4 SOURCE OF FUNDS
AF

5 CHECK IF
DISCLOSURE OF
LEGAL
PROCEEDINGS IS
REQUIRED
PURSUANT TO
ITEMS 2(d)
or 2(e)

6 CITIZENSHIP OR PLACE OF
ORGANIZATION
Delaware

7 SOLE
VOTING
POWER
0

NUMBER
OF
SHARES
BENEFICIALLY
OWNED
BY
EACH
REPORTING
PERSON⁹
WITH
SHARED
VOTING
POWER
110,101 (see
Item 5)
SOLE
DISPOSITIVE

POWER
0

10 SHARED
DISPOSITIVE
POWER
110,101 (see
Item 5)

11 AGGREGATE AMOUNT
BENEFICIALLY OWNED BY
EACH REPORTING PERSON
110,101 (see Item 5)

12 CHECK IF THE
AGGREGATE
AMOUNT IN ROW
(11) EXCLUDES
CERTAIN
SHARES (SEE
INSTRUCTIONS)

13 PERCENT OF CLASS
REPRESENTED BY
AMOUNT IN ROW (11)
2.37%

14 TYPE OF REPORTING
PERSON (SEE
INSTRUCTIONS)
OO

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1 NAME OF REPORTING
PERSON

Basswood Enhanced Long
Short GP, LLC

2 CHECK THE
APPROPRIATE
BOX IF A (a)
MEMBER OF A (b)
GROUP

3 SEC USE ONLY

4 SOURCE OF FUNDS
AF

5 CHECK IF
DISCLOSURE OF
LEGAL
PROCEEDINGS IS
REQUIRED
PURSUANT TO
ITEMS 2(d)
or 2(e)

6 CITIZENSHIP OR PLACE OF
ORGANIZATION
Delaware

7	SOLE VOTING POWER
NUMBER OF SHARES BENEFICIALLY OWNED ⁸ BY EACH REPORTING PERSON WITH	0 SHARED VOTING POWER 133,998 (see Item 5)

9 SOLE
DISPOSITIVE
POWER
0

10 SHARED
DISPOSITIVE
POWER
133,998 (see
Item 5)

11 AGGREGATE AMOUNT
BENEFICIALLY OWNED
BY EACH REPORTING
PERSON
133,998 (see Item 5)

12 CHECK IF THE
AGGREGATE
AMOUNT IN ROW
(11) EXCLUDES
CERTAIN
SHARES (SEE
INSTRUCTIONS)

13 PERCENT OF CLASS
REPRESENTED BY
AMOUNT IN ROW (11)
2.88%

14 TYPE OF REPORTING
PERSON (SEE
INSTRUCTIONS)
OO

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21 Pages

1 NAME OF REPORTING
PERSON

Basswood Financial Fund, LP

2 CHECK THE
APPROPRIATE
BOX IF A (a)
MEMBER OF A (b)
GROUP

3 SEC USE ONLY

4 SOURCE OF FUNDS
WC

5 CHECK IF
DISCLOSURE OF
LEGAL
PROCEEDINGS IS
REQUIRED
PURSUANT TO
ITEMS 2(d)
or 2(e)

6 CITIZENSHIP OR PLACE OF
ORGANIZATION
Delaware

7	SOLE VOTING POWER
NUMBER OF SHARES BENEFICIALLY OWNED ⁸ BY EACH REPORTING PERSON WITH 9	0 SHARED VOTING POWER 73,487 (see Item 5)

SOLE
DISPOSITIVE
POWER
0

10 SHARED
DISPOSITIVE
POWER
73,487 (see
Item 5)

11 AGGREGATE AMOUNT
BENEFICIALLY OWNED
BY EACH REPORTING
PERSON
73,487 (see Item 5)

12 CHECK IF THE
AGGREGATE
AMOUNT IN ROW
(11) EXCLUDES
CERTAIN
SHARES (SEE
INSTRUCTIONS)

13 PERCENT OF CLASS
REPRESENTED BY
AMOUNT IN ROW (11)
1.58%

14 TYPE OF REPORTING
PERSON (SEE
INSTRUCTIONS)
PN

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1 NAME OF REPORTING
 PERSON

Basswood Financial Fund, Inc.

2 CHECK THE
 APPROPRIATE
 BOX IF A (a)
 MEMBER OF A (b)
 GROUP

3 SEC USE ONLY

4 SOURCE OF FUNDS
 WC

5 CHECK IF
 DISCLOSURE OF
 LEGAL
 PROCEEDINGS IS
 REQUIRED
 PURSUANT TO
 ITEMS 2(d)
 or 2(e)

6 CITIZENSHIP OR PLACE OF
 ORGANIZATION
 Cayman Islands

7 SOLE
 VOTING
 POWER
 0

NUMBER
 OF
 SHARES
 BENEFICIALLY
 OWNED
 BY
 EACH
 REPORTING
 PERSON⁹
 WITH

SHARED
 VOTING
 POWER
 26,435 (see
 Item 5)

SOLE
 DISPOSITIVE

POWER
0

10 SHARED
DISPOSITIVE
POWER
26,435 (see
Item 5)

11 AGGREGATE AMOUNT
BENEFICIALLY OWNED
BY EACH REPORTING
PERSON
26,435 (see Item 5)

12 CHECK IF THE
AGGREGATE
AMOUNT IN ROW
(11) EXCLUDES
CERTAIN
SHARES (SEE
INSTRUCTIONS)

13 PERCENT OF CLASS
REPRESENTED BY
AMOUNT IN ROW (11)
0.57%

14 TYPE OF REPORTING
PERSON (SEE
INSTRUCTIONS)
CO

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21 Pages

1 NAME OF REPORTING
PERSON

Basswood Financial Long
Only Fund, LP

2 CHECK THE
APPROPRIATE
BOX IF A (a)
MEMBER OF A (b)
GROUP

3 SEC USE ONLY

4 SOURCE OF FUNDS
WC

5 CHECK IF
DISCLOSURE OF
LEGAL
PROCEEDINGS IS
REQUIRED
PURSUANT TO
ITEMS 2(d)
or 2(e)

6 CITIZENSHIP OR PLACE OF
ORGANIZATION
Delaware

7	SOLE VOTING POWER
NUMBER OF SHARES BENEFICIALLY OWNED ⁸ BY EACH REPORTING PERSON WITH	0 SHARED VOTING POWER 18,988 (see Item 5)

9 SOLE
DISPOSITIVE
POWER
0

10 SHARED
DISPOSITIVE
POWER
18,988 (see
Item 5)

11 AGGREGATE AMOUNT
BENEFICIALLY OWNED
BY EACH REPORTING
PERSON
18,988 (see Item 5)

12 CHECK IF THE
AGGREGATE
AMOUNT IN ROW
(11) EXCLUDES
CERTAIN
SHARES (SEE
INSTRUCTIONS)

13 PERCENT OF CLASS
REPRESENTED BY
AMOUNT IN ROW (11)
0.41%

14 TYPE OF REPORTING
PERSON (SEE
INSTRUCTIONS)
PN

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21 Pages

1 NAME OF REPORTING
PERSON

Basswood Enhanced Long
Short Fund, LP

2 CHECK THE
APPROPRIATE
BOX IF A (a)
MEMBER OF A (b)
GROUP

3 SEC USE ONLY

4 SOURCE OF FUNDS
WC

5 CHECK IF
DISCLOSURE OF
LEGAL
PROCEEDINGS IS
REQUIRED
PURSUANT TO
ITEMS 2(d)
or 2(e)

6 CITIZENSHIP OR PLACE OF
ORGANIZATION
Delaware

7	SOLE VOTING POWER
NUMBER OF SHARES BENEFICIALLY OWNED ⁸ BY EACH REPORTING PERSON WITH 9	0 SHARED VOTING POWER 133,998 (see Item 5)

SOLE
DISPOSITIVE
POWER
0

10 SHARED
DISPOSITIVE
POWER
133,998 (see
Item 5)

11 AGGREGATE AMOUNT
BENEFICIALLY OWNED
BY EACH REPORTING
PERSON
133,998 (see Item 5)

12 CHECK IF THE
AGGREGATE
AMOUNT IN ROW
(11) EXCLUDES
CERTAIN
SHARES (SEE
INSTRUCTIONS)

13 PERCENT OF CLASS
REPRESENTED BY
AMOUNT IN ROW (11)
2.88%

14 TYPE OF REPORTING
PERSON (SEE
INSTRUCTIONS)
PN

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21 Pages

1 NAME OF REPORTING
PERSON

Basswood Opportunity
Partners, LP

2 CHECK THE
APPROPRIATE
BOX IF A (a)
MEMBER OF A (b)
GROUP

3 SEC USE ONLY

4 SOURCE OF FUNDS
WC

5 CHECK IF
DISCLOSURE OF
LEGAL
PROCEEDINGS IS
REQUIRED
PURSUANT TO
ITEMS 2(d)
or 2(e)

6 CITIZENSHIP OR PLACE OF
ORGANIZATION
Delaware

7	SOLE VOTING POWER
NUMBER OF SHARES BENEFICIALLY OWNED ⁸ BY EACH REPORTING PERSON WITH 9	0 SHARED VOTING POWER 17,626 (see Item 5)

SOLE
DISPOSITIVE
POWER
0

10 SHARED
DISPOSITIVE
POWER
17,626 (see
Item 5)

11 AGGREGATE AMOUNT
BENEFICIALLY OWNED
BY EACH REPORTING
PERSON
17,626 (see Item 5)

12 CHECK IF THE
AGGREGATE
AMOUNT IN ROW
(11) EXCLUDES
CERTAIN
SHARES (SEE
INSTRUCTIONS)

13 PERCENT OF CLASS
REPRESENTED BY
AMOUNT IN ROW (11)
0.38%

14 TYPE OF REPORTING
PERSON (SEE
INSTRUCTIONS)
PN

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1 NAME OF REPORTING
 PERSON

Basswood Opportunity Fund,
Inc.

2 CHECK THE
 APPROPRIATE
 BOX IF A (a)
 MEMBER OF A (b)
 GROUP

3 SEC USE ONLY

4 SOURCE OF FUNDS
 WC

5 CHECK IF
 DISCLOSURE OF
 LEGAL
 PROCEEDINGS IS
 REQUIRED
 PURSUANT TO
 ITEMS 2(d)
 or 2(e)

6 CITIZENSHIP OR PLACE OF
 ORGANIZATION
 Cayman Islands

7 SOLE
 VOTING
 POWER
NUMBER 0
OF
SHARES SHARED
BENEFICIALLY VOTING
OWNED⁸ POWER
BY 12,469 (see
EACH Item 5)
REPORTING
PERSON
WITH

9 SOLE
DISPOSITIVE
POWER
0

10 SHARED
DISPOSITIVE
POWER
12,469 (see
Item 5)

11 AGGREGATE AMOUNT
BENEFICIALLY OWNED
BY EACH REPORTING
PERSON
12,469 (see Item 5)

12 CHECK IF THE
AGGREGATE
AMOUNT IN ROW
(11) EXCLUDES
CERTAIN
SHARES (SEE
INSTRUCTIONS)

13 PERCENT OF CLASS
REPRESENTED BY
AMOUNT IN ROW (11)
0.27%

14 TYPE OF REPORTING
PERSON (SEE
INSTRUCTIONS)
CO

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of 21
Pages

1 NAME OF REPORTING
PERSON

BCM Select Equity I Master,
Ltd.

2 CHECK THE
APPROPRIATE
BOX IF A (a)
MEMBER OF A (b)
GROUP

3 SEC USE ONLY

4 SOURCE OF FUNDS
WC

5 CHECK IF
DISCLOSURE OF
LEGAL
PROCEEDINGS IS
REQUIRED
PURSUANT TO
ITEMS 2(d)
or 2(e)

6 CITIZENSHIP OR PLACE OF
ORGANIZATION
Cayman Islands

7 SOLE
VOTING
POWER
NUMBER 0
OF
SHARES
BENEFICIALLY
OWNED 8
BY 50,008 (see
EACH Item 5)
REPORTING
PERSON
WITH

9 SOLE
DISPOSITIVE
POWER
0

10 SHARED
DISPOSITIVE
POWER
50,008 (see
Item 5)

11 AGGREGATE AMOUNT
BENEFICIALLY OWNED
BY EACH REPORTING
PERSON
50,008 (see Item 5)

12 CHECK IF THE
AGGREGATE
AMOUNT IN ROW
(11) EXCLUDES
CERTAIN
SHARES (SEE
INSTRUCTIONS)

13 PERCENT OF CLASS
REPRESENTED BY
AMOUNT IN ROW (11)
1.07%

14 TYPE OF REPORTING
PERSON (SEE
INSTRUCTIONS)
CO

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of 21
Pages

1 NAME OF REPORTING
PERSON

Matthew Lindenbaum

2 CHECK THE
APPROPRIATE
BOX IF A (a)
MEMBER OF A (b)
GROUP

3 SEC USE ONLY

4 SOURCE OF FUNDS
AF

5 CHECK IF
DISCLOSURE OF
LEGAL
PROCEEDINGS IS
REQUIRED
PURSUANT TO
ITEMS 2(d)
or 2(e)

6 CITIZENSHIP OR PLACE OF
ORGANIZATION
United States

<p>7 NUMBER OF SHARES BENEFICIALLY OWNED⁸ BY EACH REPORTING PERSON WITH 9</p>	<p>SOLE VOTING POWER 0</p> <p>SHARED VOTING POWER 456,209 (see Item 5)</p>
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SOLE
DISPOSITIVE
POWER
0

10 SHARED
DISPOSITIVE
POWER
456,209 (see
Item 5)

11 AGGREGATE AMOUNT
BENEFICIALLY OWNED
BY EACH REPORTING
PERSON
456,209 (see Item 5)

12 CHECK IF THE
AGGREGATE
AMOUNT IN ROW
(11) EXCLUDES
CERTAIN
SHARES (SEE
INSTRUCTIONS)

13 PERCENT OF CLASS
REPRESENTED BY
AMOUNT IN ROW (11)
9.81%

14 TYPE OF REPORTING
PERSON (SEE
INSTRUCTIONS)
IN

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Pages

1 NAME OF REPORTING
PERSON

Bennett Lindenbaum

2 CHECK THE
APPROPRIATE
BOX IF A (a)
MEMBER OF A (b)
GROUP

3 SEC USE ONLY

4 SOURCE OF FUNDS
AF

5 CHECK IF
DISCLOSURE OF
LEGAL
PROCEEDINGS IS
REQUIRED
PURSUANT TO
ITEMS 2(d)
or 2(e)

6 CITIZENSHIP OR PLACE OF
ORGANIZATION
United States

<p>7</p> <p>NUMBER OF SHARES BENEFICIALLY OWNED⁸ BY EACH REPORTING PERSON WITH 9</p>	<p>SOLE VOTING POWER 0</p> <p>SHARED VOTING POWER 456,209 (see Item 5)</p>
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SOLE
DISPOSITIVE
POWER
0

10 SHARED
DISPOSITIVE
POWER
456,209 (see
Item 5)

11 AGGREGATE AMOUNT
BENEFICIALLY OWNED
BY EACH REPORTING
PERSON
456,209 (see Item 5)

12 CHECK IF THE
AGGREGATE
AMOUNT IN ROW
(11) EXCLUDES
CERTAIN
SHARES (SEE
INSTRUCTIONS)

13 PERCENT OF CLASS
REPRESENTED BY
AMOUNT IN ROW (11)
9.81%

14 TYPE OF REPORTING
PERSON (SEE
INSTRUCTIONS)
IN

Item 1. Security and the Issuer

This Schedule 13D relates to the common stock, par value \$0.01 per share (the “Common Stock”), of The Community Financial Corporation, a Maryland corporation (the “Issuer”), and is being filed pursuant to Rule 13d-1 under the Securities Exchange Act of 1934, as amended (the “Exchange Act”). The address of the Issuer’s principal executive offices is 3035 Leonardtown Road, Waldorf, Maryland, 20601.

Item 2. Identity and Background

(a) This Schedule 13D is being filed on behalf of:

Basswood Capital Management, L.L.C. (the “Management Company”), Basswood Partners, L.L.C. (“Basswood (i) Partners”), Basswood Enhanced Long Short GP, LLC (“Basswood Long Short GP”), each a Delaware limited liability company;

Basswood Financial Fund, LP, Basswood Enhanced Long Short Fund, LP, Basswood Financial Long Only Fund, LP, Basswood Opportunity Partners, LP, each a Delaware limited partnership, Basswood Financial Fund, Inc., (ii) Basswood Opportunity Fund, Inc., BCM Select Equity I Master, Ltd., each a Cayman Islands corporation (collectively, the “Funds”); and

(iii) Matthew Lindenbaum and Bennett Lindenbaum.

The Funds and certain managed accounts directly own shares of Common Stock. The Management Company is the investment manager or adviser to the Funds and the managed accounts and may be deemed to have beneficial ownership over the Common Stock directly owned by the Funds and managed accounts by virtue of the authority granted to it to vote and to dispose of the securities held by them, including the Common Stock held by them. Basswood Partners is the general partner of each of Basswood Financial Fund, LP, Basswood Opportunity Partners, LP and Basswood Financial Long Only Fund, LP and may be deemed to have beneficial ownership over the Common Stock directly owned by such Funds by virtue of its position as general partner. Basswood Long Short GP is the general partner of Basswood Enhanced Long Short Fund, LP and may be deemed to have beneficial ownership over the Common Stock directly owned by such Fund by virtue of its position as general partner. Matthew Lindenbaum and Bennett Lindenbaum are the managing members of the Management Company and control the business activities of the Management Company. The Management Company, Basswood Partners, Basswood Long Short GP, the Funds, Matthew Lindenbaum and Bennett Lindenbaum may be referred to herein as the “Reporting Persons”.

(b) The address of the principal business and principal office of each of the Reporting Persons is 645 Madison Avenue, 10th Floor, New York, New York 10022.

(c) The principal business of the Management Company is to serve as investment manager or adviser to certain investment funds, and to control the investing and trading in securities of such investment funds. The principal business of each of Matthew Lindenbaum and Bennett Lindenbaum is to act as the managing member of the Management Company and certain affiliated entities.

(d) None of the Reporting Persons, nor, to the best of their knowledge, any of their directors, executive officers, general partners or members has, during the last five years, been convicted in a criminal proceeding (excluding traffic violations or similar misdemeanors).

(e) None of the Reporting Persons, nor, to the best of their knowledge, any of their directors, executive officers, general partners or members has, during the last five years, been a party to a civil

proceeding of a judicial or administrative body of competent jurisdiction and as a result of such proceeding was or is subject to a judgment, decree or final order enjoining future violations of, or prohibiting or mandating activities subject to, federal or state securities laws or finding any violation with respect to such laws.

(f) Each of Matthew Lindenbaum and Bennett Lindenbaum is a citizen of the United States of America.

Item 3. Source and Amount of Funds or Other Consideration.

The Reporting Persons expended an aggregate of \$9,226,683 (including commissions, if any) to acquire the 456,209 shares of Common Stock reported herein as beneficially owned by them. The Reporting Persons effect purchases and hold securities primarily through margin accounts maintained for them with each of BNP Paribas Prime Brokerage, Morgan Stanley & Co., J.P. Morgan Securities LLC and State Street Bank and Trust Company, which may extend margin credit to the Reporting Persons as and when required to open or carry positions in the margin accounts, subject to applicable Federal margin regulations, stock exchange rules and the firms' credit policies. In such instances, the positions held in the margin accounts are pledged as collateral security for the repayment of debit balances in the accounts.

Item 4. Purpose of Transaction.

On March 15, 2016, Eric Goldberg, a representative of the Management Company, spoke with Michael Middleton, Executive Chairman of the Issuer, and requested in that conversation that he, as a representative of the Management Company, be added to the Issuer's board of directors (the "Board"). Mr. Middleton indicated that he would consult with the Board and respond promptly to the Management Company's request.

On March 21, 2016, Mr. Middleton, William Pasenelli, President and Chief Executive Officer of the Issuer met with Matthew Lindenbaum and Mr. Goldberg at the Management Company's offices to discuss the Management Company's request for board representation and to exchange perspectives on the Issuer's business and operations. Following a constructive meeting, the parties continued to engage in discussions. As a result of these discussions, the Management Company and the Issuer entered into an Agreement, dated March 25, 2016 (the "Agreement"), pursuant to which the Issuer agreed to nominate Mr. Goldberg for election to the Board at the Issuer's 2016 Annual Meeting of Shareholders (the "Annual Meeting"), to be placed in the class of directors with a term ending at the Issuer's 2017 annual meeting of stockholders. The Issuer further agreed to solicit proxies for the election of Mr. Goldberg as a director to the same extent as for the election or re-election of any other Issuer nominee for election to the Issuer's Board at the Annual Meeting. In addition, at or prior to the time Mr. Goldberg is elected as a director of the Issuer, the Issuer agreed to cause its subsidiary, Community Bank of the Chesapeake (the "Bank"), to add Mr. Goldberg to the Board of Directors of the Bank. The Management Company agreed not to nominate any person for election to the Board or to propose any business to be presented to the Issuer's stockholders at the Annual Meeting. A copy of the Agreement is filed herewith as Exhibit 99.2 and incorporated herein by reference.

The Management Company's representative will serve on the Board for an initial one year term. In doing so, he will provide the Board with insight into increasing shareholder value.

The Reporting Persons may make further acquisitions of Common Stock from time to time or dispose of any or all of the shares of Common Stock beneficially owned by the Funds and the managed accounts at any time. Any such acquisition or disposition may be effected through privately negotiated transactions, in the open market, in block transactions or otherwise. In addition, the Reporting Persons may enter into hedging or derivative transactions with respect to the securities of the Issuer, including the shares of Common Stock beneficially owned by them. Any determination to acquire or dispose of securities of the Issuer will depend on a number of factors, including the Issuer's business and financial

position and prospects, other developments concerning the Issuer, the price levels of the Common Stock, general market and economic conditions, the availability of financing and other opportunities available to the Reporting Persons.

Except as set forth in this Schedule 13D, the Reporting Persons do not have any plans or proposals at present that relate to or would result in any of the matters set forth in subparagraphs (a) – (j) of Item 4 of Schedule 13D. Each of the Reporting Persons may engage in discussions with others concerning the Issuer and may, at any time, review or reconsider its position with respect to the Issuer and formulate plans or proposals with respect to any of such matters.

Item 5. Interest in Securities of the Issuer.

(a) As of the date of this Schedule 13D, each of the Reporting Persons beneficially owns shares of Common Stock in such numbers as set forth on the cover pages of this Schedule 13D. The total number of shares each of the Reporting Persons beneficially owns represents such percentages as set forth on the cover pages to this Schedule 13D of the Common Stock outstanding. The percentages used in this Schedule 13D are calculated based upon the 4,652,292 shares of Common Stock outstanding as of March 3, 2016, as reported in the Issuer's Proxy Statement on Schedule 14A for the 2016 annual meeting of stockholders filed on March 22, 2016.

(b) The Management Company, Matthew Lindenbaum and Bennett Lindenbaum share voting and dispositive power over the 456,209 shares of Common Stock held.

By virtue of the relationships among the Reporting Persons, as described in this Schedule 13D, the Reporting Persons may be deemed to be a "group" under the Federal securities laws. If the Reporting Persons were deemed to be such a "group," such group would collectively beneficially own 456,209 shares of Common Stock. Each of the Reporting Persons disclaims voting and investment power over shares of the Common Stock, except as set forth on the cover pages of this Schedule 13D.

(c) None of the Reporting Persons have purchased or sold shares of Common Stock during the past sixty (60) days except that on February 1, 2016, Basswood Financial Fund, LP bought 2,031 shares of Common Stock at a price of \$19.52 and Basswood Financial Fund, Inc. sold 4,527 shares of Common Stock at a price of \$19.47.

(d) No other person is known to have the right to receive, or the power to direct the receipt of, dividends from or proceeds from the sale, of such shares of Common Stock.

(e) Not applicable.

Item 6. Contracts, Arrangements, Understandings or Relationships with Respect to Securities of the Issuer.

Pursuant to Rule 13d-1(k) promulgated under the Exchange Act, the Reporting Persons have entered into a Joint Filing Agreement, a copy of which is filed with this Schedule 13D as Exhibit 99.1, with respect to the joint filing of this Schedule 13D and any amendment or amendments thereto.

Other than as described herein, there are no contracts, arrangements, understandings or relationships (legal or otherwise) between the Reporting Persons and any other person with respect to the securities of the Issuer.

Item 7. Material to be filed as Exhibits.

1. Exhibit 99.1 - Joint Filing Agreement, dated as of March 25,