

Customers Bancorp, Inc.
Form DEF 14A
April 01, 2016

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE 14A INFORMATION

Proxy Statement Pursuant to Section 14(a) of the Securities Exchange Act of 1934

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 Materials Pursuant to sec. 240.14a-11(c) or sec. 240.14a-12

Customers Bancorp, Inc.

(Exact Name of Registrant as Specified in its Charter)

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(3) Filing Party:

(4) Date Filed:

CUSTOMERS BANCORP

1015 Penn Avenue
Wyomissing, Pennsylvania 19610
(610) 933-2000
April 12, 2016

Dear Shareholders:

We are pleased to invite you to attend the 2016 Annual Meeting of Shareholders of Customers Bancorp, Inc. ("Customers" or the "Company") to be held on Wednesday, May 25, 2016 beginning at 9:00 a.m. at The DoubleTree by Hilton Reading, located at 701 Penn Street, Reading, PA 19601. Further information about the meeting and the various matters on which the shareholders will vote is included in the Notice of Meeting and Proxy Statement which follow this letter.

2015 was another record year with the Company growing total assets 23% to \$8.4 billion, net income to common shareholders 30% to \$56.1 million, and fully diluted earnings per common share over 26% to \$1.96. In addition, loans outstanding grew 26% to \$7.3 billion, deposits grew 30% to \$5.9 billion, and revenues were up 27% to \$224.0 million. Other 2015 Customers highlights included introducing BankMobile as a revolutionary banking platform to attract and service depositors choosing to bank using smart phone, tablets or their computers, the planned acquisition of the Higher One, Inc. Student Disbursements business and its combination with the BankMobile platform that greatly accelerates our BankMobile growth and profitability plans. In addition, we raised \$57.5 million of non-cumulative perpetual preferred stock to support the growth in our assets and deposits. Our 2015 financial performance ranks among the top in the banking industry. With continued focus on our core business and superior management of all our risks and integration of the Student Disbursements business into the Company, we are excited about the financial prospects of Customers in 2016 and future years. I encourage you to read Customers 2015 Form 10-K, which can be located at <https://www.snl.com/IRWebLinkX/docs.aspx?iid=4293992>. Shareholders may also find our year end investor presentation located at <https://www.snl.com/IRWebLinkX/presentations.aspx?iid=4293992> useful to understanding our business and strategies. The Board, management, and our employees thank you for your participation as a shareholder in our Company's success.

The Compensation Committee and the Board took significant actions during 2015 and 2016 to improve our executive compensation practices when only 48% of the shareholders voted in favor of an advisory (non-binding) resolution to approve the compensation of our executive officers ("say on pay"). We listened and made significant modifications to our executive compensation philosophy and practices that we believe greatly improve our executive compensation programs. The most significant of these changes include the following:

- Improved our assessment of compensation practices and performance relative to peers by establishing a new peer group, based on clear geographic, industry, product, asset size and other relevant criteria,
 - Better aligned our performance to compensation by adopting objective and measurable Company performance criteria and target levels for determining senior executive annual performance and long term incentive compensation awards,
 - Aligned long-term Company and executive performance by adopting performance criteria, in addition to service, for vesting long term incentive compensation awards,
-

Addressed certain concerns about our pay practices by rolling-back the excise tax gross-up granted in 2014, adopted a policy prohibiting excise tax gross-ups in employee contracts prospectively, and sunset the existing excise tax gross-ups with the current chief executive officer, chief operating officer and chief financial officer. The Board of Directors believes that such an incentive was necessary to induce such skilled individuals to accept leadership roles in the Company, and to retain such individuals within the Company, given the start-up nature of the Company when these executives were recruited,

Adopted equity ownership requirements for executive officers to help align the interests of management with the interests of the shareholders,

Adopted a "claw back" policy reserving the right to claw back up to 100% of stock-based compensation awards in the event it is discovered that awards were based on faulty metrics.

Implemented risk mitigation provisions associated with equity awards by:

- o Adopting claw back requirements for annual performance and long term incentive awards,
- o Adopting ownership requirements for our directors and executive management team, and

Acknowledged shareholder compensation concerns, and demonstrated our responsiveness to those concerns, with the changes described in this letter, development of a shareholder outreach program in which we will actively solicit shareholder comments and suggestions on executive compensation and other matters as considered appropriate.

We also improved the quality of executive compensation guidance by retaining a new executive compensation advisor, reconsidered our compensation strategies by rewriting Customers' Compensation Philosophy, and consulted with outside organizations monitoring shareholder issues to obtain their input on executive compensation and other shareholder matters.

We hope you will be able to attend the Annual Meeting. Even if you are planning to attend the meeting in person, we encourage you to vote by internet, smart phone, telephone, or complete, sign and return a proxy card prior to the meeting. This will ensure that your shares are represented at the meeting. The proxy statement explains more about the proxy voting and contains additional information about the business to be conducted at the meeting. Please read the proxy carefully.

Every shareholder vote is important. To ensure your vote is counted at the Annual Meeting, please vote as promptly as possible.

Thank you for your investment in, and ongoing support of, our Company. We appreciate your confidence and will continue to work to build long term shareholder value.

Sincerely,

Jay S. Sidhu

Chairman and Chief Executive Officer

CUSTOMERS BANCORP

1015 Penn Avenue
Wyomissing, Pennsylvania 19610
(610) 933-2000

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS

An Annual Meeting of the shareholders of Customers Bancorp, Inc. (the "Company") will be held on May 25, 2016, at The DoubleTree Hotel by Hilton Reading, 701 Penn Street, Reading, PA 19601 at 9:00 a.m. to vote on the following proposals:

1. To elect two Class II directors of the Company to serve a three-year term;
2. To ratify the appointment of BDO USA, LLP as the independent registered public accounting firm of the Company for the fiscal year ending December 31, 2016; and
3. The transaction of such other business as may properly come before the Annual Meeting, and any adjournment or postponement of the Annual Meeting.

The Board of Directors has set the Record Date for the Annual Meeting as March 31, 2016 (the "Record Date"). Only holders of record of the Company's Voting Common Stock at the close of business on that date can vote at the meeting. As long as a quorum is present or represented at the Annual Meeting, the affirmative vote of a majority of the Company's Voting Common Stock present, in person or by proxy, is required to pass Proposal 2, and the candidates receiving the highest number of votes shall be elected under Proposal 1. As of the Record Date, there were approximately 27,036,108 shares of the Company's Voting Common Stock outstanding.

The directors of the Company unanimously believe that Proposals 1 and 2 are in the best interests of the Company and its shareholders, and urge shareholders to vote "**FOR**" the election of each of the nominated directors in Proposal 1 and "**FOR**" the ratification of the appointment of BDO USA, LLP in Proposal 2.

You may review the proxy statement and the Company's annual report to shareholders, or you may vote your shares at www.envisionreports.com/CUBI.

By Order of the Board of Directors

Robert E. Wahlman, Corporate Secretary

To be mailed on or about April 12, 2016

YOUR VOTE IS IMPORTANT, REGARDLESS OF HOW MANY SHARES YOU OWN. WHETHER YOU PLAN TO ATTEND THE MEETING OR NOT, PLEASE FOLLOW THE INSTRUCTIONS ON THE SHAREHOLDER MEETING NOTICE TO REVIEW THE PROXY AND ANNUAL REPORT AND FOR INTERNET AND SMART PHONE VOTING, OR TO REQUEST PHYSICAL DELIVERY OF THE PROXY, ANNUAL REPORT TO SECURITY HOLDERS AND PROXY CARD WITH A PRE-ADDRESSED ENVELOPE. PLEASE RETURN THE PROXY CARD, IF REQUESTED, PROMPTLY IN THE ENCLOSED ENVELOPE PROVIDED WITH ANNUAL MEETING MATERIALS, OR FOLLOW THE INSTRUCTIONS ON THE PROXY CARD FOR INTERNET OR TELEPHONE VOTING. IF YOU ATTEND THE MEETING AND PREFER TO VOTE IN PERSON, YOU MAY DO SO, EVEN IF YOU TURN IN YOUR PROXY AT THIS TIME. YOU MAY REVOKE YOUR PROXY AT ANY TIME PRIOR TO ITS USE FOR ANY PURPOSE BY GIVING WRITTEN NOTICE OF REVOCATION TO OUR CORPORATE SECRETARY AT OUR WYOMISSING OFFICE AT 1015 PENN AVE. SUITE 103, WYOMISSING, PENNSYLVANIA 19610. YOU MAY ALSO APPEAR IN PERSON AT THE ANNUAL MEETING AND ASK TO WITHDRAW YOUR PROXY PRIOR TO ITS USE FOR ANY PURPOSE AND THEN VOTE IN PERSON. A LATER DATED PROXY REVOKES AN EARLIER DATED PROXY.

PROXY STATEMENT
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PROXY STATEMENT SUMMARY

This summary highlights certain information contained in this proxy statement. This summary does not contain all of the information you should consider. We encourage you to review all of the important information contained in this proxy statement carefully before voting.

Customers Bancorp, Inc. 2016 Annual Meeting of Shareholders

Date and Time: Wednesday, May 25, 2016
9:00 a.m., EDT

Place: DoubleTree Hotel by Hilton Reading
701 Penn Street, Reading, PA 19601

Items of Business and Voting Recommendations

Items for Vote	Board Recommendation
1. Elect 2 directors	FOR all nominees
2. Ratify the appointment of BDO USA, LLP as the Company's independent registered public accounting firm for 2016	FOR

In addition, shareholders may be asked to consider any other business properly brought before the meeting.

Voting and Admission to Customers Bancorp, Inc.'s 2016 Annual Meeting of Shareholders

Voting. Shareholders as of the record date, March 31, 2016, are entitled to vote. Each share of common stock outstanding on the record date is entitled to one vote for each director nominee and one vote for the other proposals to be voted on at our annual meeting.

Even if you plan to attend our annual meeting in person, please cast your vote as soon as possible by:

Using the internet Scanning the QR Barcode on your voting materials, where available

Check your Notice of Internet Availability of Proxy Materials for the web address of our internet voting site. Before voting, ensure that you have located your control number, which can only be found in the shaded bar in the top right corner of your Annual Shareholder Meeting Notice. This ID is unique to you and must be provided at the time of voting.

If you want to receive paper copies of these documents, you must request them. There is no charge to you for requesting copies. Please make your request for copies as instructed below on or before May 15, 2016 to facilitate timely delivery. Instructions as to voting by phone and by mail are provided with the written proxy materials.

Here's how to order a copy of the proxy materials and select a future delivery preference:

Paper copies: Current and future paper delivery requests can be submitted via the telephone, Internet or email options below.

Email copies: Current and future email delivery requests must be submitted via the Internet following the instructions below. If you request an email copy of current materials you will receive an email with a link to the materials.

PLEASE NOTE: You must use your control number in the shaded bar of the Annual Shareholder Meeting Notice when requesting a set of proxy materials.

Internet – Go to www.envisionreports.com/CUBI. Click Cast Your Vote or Request Materials. Follow the instructions to log in and order a copy of the current materials and submit your preference for email or paper delivery of future meeting materials.

Telephone – Call free of charge at 1-866-641-4276 and follow the instructions to log in and order a paper copy of the materials by mail for the current meeting. You can also submit a preference to receive a paper copy for future meetings.

Email – Send email to investorvote@computershare.com with "Proxy Materials Customers Bancorp, Inc." in the subject line. Include in the message your full name and address, plus the control number located in the shaded bar on the Annual Shareholder Meeting Notice, and state in the email that you want a paper copy of current meeting materials. You can also state your preference to receive a paper copy for future meetings.

To facilitate timely delivery, all requests for a paper copy of the proxy materials must be received by May 15, 2016. Admission. Customers Bancorp shareholders as of the record date are entitled to attend the annual meeting. Our admission procedures require all shareholders attending the annual meeting to present proper verification of stock ownership and a valid photo ID. Please review the admission procedures under "Questions and Answers About the Annual Meeting and Voting" beginning on page 4.

Each shareholder's vote is important. Please submit your vote and proxy over the internet. You can also vote by telephone, or complete, sign, date and return your proxy, if you requested and received a paper copy of the proxy materials.

PROXY STATEMENT

Customers Bancorp, Inc.
1015 Penn Avenue
Wyomissing, Pennsylvania 19610

INFORMATION REGARDING THE ANNUAL MEETING

This Proxy Statement is being furnished to shareholders of Customers Bancorp, Inc. in connection with the solicitation of your proxy to be used at the Annual Meeting of Shareholders to be held on May 25, 2016. At the meeting, you will be asked to consider and vote to elect two Class II directors of Customers Bancorp, Inc. to serve a three-year term, and to ratify the appointment of BDO USA, LLP as the independent registered public accounting firm of Customers Bancorp, Inc. for the fiscal year ending December 31, 2016.

IMPORTANT NOTICE REGARDING THE AVAILABILITY OF PROXY MATERIALS FOR THE ANNUAL MEETING OF SHAREHOLDERS TO BE HELD ON MAY 25, 2016

This proxy statement and the Company's annual report to shareholders are available at <http://www.envisionreports.com/CUBI>. This website also enables security holders to vote their proxy. This year, we are using the "Notice and Access" method of providing proxy materials to you via the Internet instead of mailing printed copies. We believe that this process will provide you with a convenient and quick way to access the proxy materials, including our proxy statement and 2015 annual report to shareholders, and authorize a proxy to vote your shares, while allowing us to conserve natural resources and reduce the costs of printing and distributing the proxy materials.

Most shareholders will not receive paper copies of the proxy materials unless they request them. Instead, the Important Notice Regarding Availability of Proxy Materials, which we refer to as the Notice and Access card, which has been mailed to our shareholders, provides instructions regarding how you may access and review all of the proxy materials on the Internet. The Notice and Access card also instructs you how to submit your proxy vote via the Internet or smart phone. If you would like to receive a paper or email copy of our proxy materials, you should follow the instructions for requesting such materials printed on the Notice and Access card.

If your shares are held by a brokerage house or other custodian, nominee or fiduciary in "street name," you will receive a Notice and Access card intended for their beneficial holders with instructions for providing to such intermediary voting instructions for your shares. You may also request paper copies of the proxy materials by following the instructions on the intermediary Notice and Access card. If you receive paper copies, many intermediaries provide instructions for their beneficial holders to provide voting instructions via the Internet or by telephone.

If your shares are held in "street name" and you would like to vote your shares in person at the Annual Meeting, you must contact your broker, custodian, nominee or fiduciary to obtain a legal proxy form from the record holder of your shares and present it to the inspector of election with your ballot.

COMMONLY USED TERMS

For purposes of this Proxy Statement, any references to the "Company," "Customers," "we," "us," or "our" refer to Customers Bancorp, Inc.

QUESTIONS AND ANSWERS ABOUT THE ANNUAL MEETING AND VOTING

Why am I receiving these proxy materials?

The Company has sent you a Notice and Access mailing regarding the availability of proxy materials for the shareholder meeting because the Board of Directors of the Company is soliciting your proxy to vote at the Annual Meeting. You are invited to attend the meeting to vote on the proposals described in this Proxy Statement. However, you do not need to attend the meeting to vote your shares. Instead, you may follow the instructions included in the Notice and Access mailing and vote using the internet or smartphone, or you may request paper copies of the proxy, annual report, and proxy card and complete, sign, and return the proxy card or follow the instructions on the proxy card to vote using the internet or telephone.

The Company has separately mailed the Notice and a proxy card to all shareholders of record entitled to vote at the meeting and is making the Proxy Statement and 2015 Annual Report available to you electronically.

Who is entitled to vote at the meeting?

To be able to vote, you must have been a beneficial owner or a shareholder of record of the Company's Voting Common Stock on March 31, 2016, the Record Date on which the Board of Directors determined shareholders entitled to notice of, and to vote at, the meeting (the "Record Date").

Shareholder of Record: Shares Registered in Your Name. If, at the close of business on the Record Date, your shares of Voting Common Stock were registered directly in your name, then you are a shareholder of record. As a shareholder of record you may vote in person at the meeting or by proxy. Whether or not you plan to attend the meeting, we urge you to vote using the internet or smart phone, or if you request a paper copy of the materials, complete and return the accompanying proxy card to ensure your vote is counted.

Beneficial Owner: Shares Registered in the Name of a Broker, Bank, or Other Agent. If, at the close of business on the Record Date, your shares were not issued directly in your name, but rather were held in an account at a brokerage firm, bank, or by another agent, you are the beneficial owner of shares held in "street name" and the notice of proxy materials is being forwarded to you by your broker, bank, or other agent. The broker, bank, or other agent holding your shares in that account is considered to be the shareholder of record for purposes of voting at the meeting.

As a beneficial owner, you have the right to direct your broker, bank, or other agent on how to vote the shares of Voting Common Stock in your account. You are also invited to attend the meeting. However, since you are not the shareholder of record, you may not vote your shares in person at the meeting unless you request and obtain a valid proxy issued in your name from your broker, bank or other agent.

What am I being asked to vote on?

There are two matters scheduled for a vote at the meeting:

1. To elect two Class II directors of the Company to serve a three-year term; and
2. To ratify the appointment of BDO USA, LLP as the independent registered public accounting firm of the Company for the fiscal year ending December 31, 2016.

The Company's Board of Directors recommends a vote "FOR" each of the Board of Directors' nominees identified in this Proxy Statement and "FOR" Proposal 2.

How many votes do I have?

Each holder of the Company's Voting Common Stock is entitled to one vote per share held.

What is a quorum?

For a proposal to be considered at the meeting, a quorum must be present. The presence, in person or by proxy, of shareholders entitled to cast at least a majority of the votes which all shareholders are entitled to cast on the particular matter will constitute a quorum for purposes of considering such matter. The shareholders present, in person or by proxy, at a duly organized meeting can continue to do business until adjournment, notwithstanding the withdrawal of enough shareholders to leave less than a quorum.

Abstentions and "broker non-votes" (that is, shares held by a broker or nominee that are represented at the meeting, but with respect to which such broker or nominee is not instructed to vote on a particular proposal and does not have discretionary voting power) will be counted for the purpose of determining whether a quorum is present.

Your shares will be counted toward the quorum only if you submit a valid proxy (or one is submitted on your behalf by your broker, bank, or other agent) or if you are present at the meeting. If there is no quorum, a majority of all votes cast at the meeting may adjourn the meeting to another date.

What vote is required?

For Proposal 1, if a quorum is present, the candidates receiving the highest number of votes shall be elected.

Cumulative voting is not permitted. "Withheld" votes and broker non-votes will not count in determining the number of votes required to elect a director, and they will not count in favor of or against a director's election.

For Proposal 2, if a quorum is present, the affirmative vote of a majority of the stock having voting powers, present, in person or by proxy, is required to approve such proposal. Abstentions and broker non-votes are not deemed to constitute "votes cast" and, therefore, do not count either for or against approval of the proposal.

For beneficial owners, the rules that guide how most brokers vote your stock have changed over the last several years. The rules provide that brokerage firms or other nominees may not vote your shares with respect to matters that are not "routine" under the rules. The rules now provide that the election of directors is not a "routine" matter. The ratification and appointment of our independent registered public accounting firm for 2016 is the only current proposal that is considered a "routine" matter under the rules and, therefore, brokerage firms and other nominees have the authority under the rules to vote your unvoted shares with respect to that matter if you have not furnished voting instructions within a specified period of time prior to the meeting.

How do I vote?

For any matter to be voted on except the election of directors, you may vote "**FOR**" or "Against" or abstain from voting. For the election of directors, you may vote "**FOR**" the director nominees or your authority may be "Withheld" for one or more of the nominees. The procedures for voting are as follows:

Shareholder of Record: Shares Registered in Your Name. If you are a shareholder of record, you may vote in person at the meeting. Alternatively, you may vote by proxy by following the instructions on the Notice and Access sent to you using the internet or smart phone, or if you request paper copies of the proxy, annual report and proxy card, you may vote using the accompanying proxy card or by internet or telephone. Whether or not you plan to attend the meeting, we urge you to vote by proxy to ensure your vote is counted. You may still attend the meeting and vote in person if you have already voted by proxy. In such case, notify the Corporate Secretary before the meeting begins of your presence at the meeting and your intention to revoke your previously voted proxy.

To vote in person, come to the meeting and we will give you a ballot when you arrive.

If you use the Notice and Access, to vote by internet or smart phone, follow the instructions of the Notice and Access card mailed to you. If you order paper copies of the proxy, annual report and proxy card, to vote by mail, simply complete, sign, and date the proxy card separately mailed to you and return it promptly in the envelope provided. To vote by internet or telephone, follow the instructions on the proxy card for internet or telephone voting.

If you order paper copies of the proxy, annual report and proxy card, to vote by mail simply complete, sign and date the proxy card mailed to you and return it promptly in the envelope provided. To vote by internet or telephone, follow the instructions on the proxy card.

If you return your signed proxy card to us before the meeting, or you vote by internet, smart phone or telephone, we will vote your shares as you direct unless you revoke your proxy.

Beneficial Owner: Shares Registered in the Name of Broker, Bank, or Other Agent. If your shares of the Company's Voting Common Stock are held in "street name," that is, your shares are held in the name of a brokerage firm, bank, or other nominee, in lieu of a Notice and Access form you should receive a voting instruction form from that institution by mail. Complete and vote as instructed to ensure that your vote is counted.

If your shares are held in street name and you wish to vote in person at the meeting, you must obtain a proxy issued in your name from the record holder (that is, your brokerage firm, bank or other nominee) and bring it with you to the meeting. We recommend that you vote your shares in advance as described above so that your vote will be counted if you later decide not to attend the meeting.

What if I return a proxy card but do not make specific choices?

If you return a signed proxy card without marking any voting selections, your shares will be voted "FOR" Proposal 2, and "FOR" each director nominated by the Board of Directors. If any other matter is properly presented at the meeting, then one of the proxies named on the proxy card will vote your shares using his or her best judgment.

What if I receive more than one proxy card or voting instruction form?

If you receive more than one proxy card or Notice and Access form because your shares are held in multiple accounts or registered in different names or addresses, please be sure to complete, sign, date, and return each proxy card or vote your shares online for each Notice and Access form received to ensure that all of your shares will be voted. Only shares relating to proxy cards and voting instruction forms that have been signed, dated, and timely returned or Notice and Access forms that have been voted online, will be counted in the quorum and voted.

Who will count the votes and how will my votes be counted?

Votes will be counted by the judge of election appointed for the Annual Meeting. The judge of election will count "FOR" and "AGAINST" votes for Proposal 2, and "FOR" and "WITHHELD" votes, as applicable, for Proposal 1.

Can I change my vote after I have sent you my proxy?

Yes. You can revoke your proxy at any time before the applicable vote at the meeting. If you are the record holder of your shares, you may revoke your proxy in any one of three ways:

· You may submit another properly completed proxy with a later date;

You may send a written notice that you are revoking your proxy to our Corporate Secretary at our principal executive offices: 1015 Penn Ave. Suite 103, Wyomissing, Pennsylvania 19610; or

· You may attend the meeting and vote in person (however, simply attending the meeting will not, by itself, revoke your proxy; you must notify the Corporate Secretary before the meeting begins of your presence at the meeting and your intention to revoke your previously voted proxy).

If your shares are held by a broker, bank, or other agent, you should follow the instructions provided by them.

How may I communicate with the Board of Directors?

Please address any communications to the Company's Board of Directors, or any individual director, in writing to the Company's Corporate Secretary at 1015 Penn Ave., Wyomissing, Pennsylvania 19610. The Corporate Secretary will relay all shareholder communications to the Board of Directors or any individual director to whom communications are directed. This is also the process by which you may communicate with the Lead Independent Director and our non-employee directors as a group.

Who will bear the cost of soliciting proxies?

The Company will bear the entire cost of the solicitation of proxies for the meeting, including the preparation, assembly, printing, and distribution of this Proxy Statement, the Notice and Access mailing, the proxy card and any additional solicitation materials furnished to shareholders. Copies of solicitation materials will be furnished to brokerage houses, fiduciaries, and custodians holding shares in their names that are beneficially owned by others so that they may forward the solicitation materials to the beneficial owners. The Company may reimburse such persons for their reasonable expenses in forwarding solicitation materials to beneficial owners. The Company has engaged Georgeson, Inc., a professional proxy solicitation firm ("Georgeson"), to assist in the solicitation of proxies for the 2016 Annual Meeting of Shareholders. Georgeson will be paid a fee of approximately five thousand dollars (\$5,000). The solicitation of proxies may be supplemented by solicitation by personal contact, telephone, facsimile, email, or any other means by the Company's directors, officers, or employees. No additional compensation will be paid to those individuals for any such services.

How can I find out the results of the voting at the meeting?

The Company will provide the voting results in a Form 8-K to be filed with the Securities and Exchange Commission ("SEC") no later than the fourth business day after the Annual Meeting.

What is the recommendation of the Board of Directors?

The Company's Board of Directors recommends a vote:

FOR Proposal 1 to elect two Class II directors of the Company to serve a three-year term; and

FOR Proposal 2 to ratify the appointment of BDO USA, LLP as the independent registered public accounting firm of the Company for the fiscal year ending December 31, 2016.

With respect to any other matter that properly comes before the meeting, the proxies will vote in accordance with their best judgment. The judge of election for the meeting will be a representative of our transfer agent, Computershare, Inc., or, in his or her absence, one or more other individuals to be appointed in accordance with the Company's bylaws.

If you vote pursuant to the Notice and Access forms, or using the proxy card, and you do not specify how you want to vote the persons named as proxies will vote in accordance with the recommendations of the Company's Board of Directors with respect to the proposal and the election of directors, and in their discretion with respect to any other matter properly brought before the Annual Meeting.

Whom should I call if I have questions about the meeting?

You should contact Robert E. Wahlman, our Corporate Secretary, at (610) 743-8074 for questions about the meeting.

COMMUNICATIONS WITH SHAREHOLDERS AND INVESTORS

Beginning in 2015 and expanding in 2016, the Company has developed and is implementing a program to provide enhanced communications and interaction with shareholders and other investors.

The Communication Program builds on the Company's effort and includes:

- Quarterly investor presentations;
- Periodic "letters" to shareholders and investors;
- Investor days;
- Proxy statements, annual reports, other filings and the Company's online presence; and
- Shareholder and investor engagement.

SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

The following table sets forth the beneficial ownership of shareholders holding 5.0% or more of our voting common stock as of December 31, 2015:

Name and Address of Beneficial Owner ⁽²⁾	Voting Common Stock	Percent of Class of Voting Common Stock ⁽¹⁾
Black Rock, Inc. 55 East 52 nd Street New York, NY 10555	1,460,871	⁽²⁾ 5.4%
Ameriprise Financial, Inc. 145 Ameriprise Financial center Minneapolis, MN 55474	1,380,413	⁽³⁾ 5.1%