

# Section 1: 8-K (FORM 8-K)

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

FORM 8-K

CURRENT REPORT  
PURSUANT TO SECTION 13 OR 15(d) OF THE  
SECURITIES EXCHANGE ACT OF 1934

Date of Report (Date of earliest event reported): March 26, 2020

First United Corporation

(Exact name of registrant as specified in its charter)

Maryland  
(State or other jurisdiction of  
incorporation or organization)

0-14237  
(Commission file number)

52-1380770  
(IRS Employer  
Identification No.)

19 South Second Street, Oakland, Maryland 21550  
(Address of principal executive offices) (Zip Code)

(301) 334-9471  
(Registrant's telephone number, including area code)

N/A  
(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligations of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common stock	FUNC	Nasdaq Stock Market

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (17 CFR §230.405) or Rule 12b-2 of the Securities Exchange Act of 1934 (17 CFR §240.12b-2).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

## INFORMATION TO BE INCLUDED IN THE REPORT

### ITEM 5.02. **Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.**

#### (b) Director Retirement.

On March 26, 2020, Robert W. Kurtz notified the Board of Directors (the “Board”) of First United Corporation (the “Corporation”) that he intends to retire from the Board at the first Board meeting that occurs after the 2020 annual meeting of shareholders so that the Corporation can better pursue its Board refreshment efforts. First United is conducting a search with an emphasis on candidates identified as being diverse and providing specific skill sets in areas such as regulatory, compliance, technology and innovation. Mr. Kurtz’s decision to retire is not due to any disagreement with the Corporation on any matter relating to its operations, policies or practices. The Corporation will amend this report to provide Mr. Kurtz’s retirement date once it is finally determined.

### ITEM 5.03. **Amendments to Articles of Incorporation or Bylaws; Change in Fiscal Year.**

#### (a) Bylaw Amendments

On March 27, 2020, the Board amended the Amended and Restated Bylaws, as amended, of the Corporation (the “Bylaws”). The amendments are summarized below.

- Section 2 of Article II – codified the Board’s mandatory director retirement policy by providing that no person will be eligible for election to the Board at any meeting of shareholders if he or she is or will be 72 years of age or older at any time during the calendar year in which the meeting is to be held.
- Section 3 of Article II – added a plurality voting standard for contested director elections.

A copy of the Third Amendment to the Amended and Restated Bylaws containing the foregoing amendments is filed as Exhibit 3.1 to this report.

### Item 8.01. **Other Events.**

On March 27, 2020, the Board adopted a Lead Director Policy to clarify the role and responsibilities of the Corporation’s Lead Director, a copy of which is filed as Exhibit 99.1 to this report. Also on that date, the Corporation issued a press release regarding its ongoing Board refreshment strategy, a copy of which is filed herewith as Exhibit 99.3.

### **Important Additional Information**

The Company, its directors and certain of its executive officers will be deemed to be participants in the solicitation of proxies from the Company’s shareholders in connection with the Company’s 2020 Annual Meeting of Shareholders. The Company intends to file a definitive proxy statement and a proxy card with the Securities and Exchange Commission (the “SEC”) in connection with any such solicitation of proxies from the Company’s shareholders. **SHAREHOLDERS OF THE COMPANY ARE STRONGLY ENCOURAGED TO READ SUCH PROXY STATEMENT, ACCOMPANYING PROXY CARD AND ALL OTHER DOCUMENTS FILED WITH THE SEC CAREFULLY AND IN THEIR ENTIRETY WHEN THEY BECOME AVAILABLE AS THEY WILL CONTAIN IMPORTANT INFORMATION.** Exhibit 99.2 to this report (“Exhibit 99.2”) contains information regarding the direct and indirect interests, by securities holdings or otherwise, of the Company’s directors and executive officers in the Company’s securities. If the holdings of the Company’s securities change from the amounts provided in Exhibit 99.2, such changes will be set forth in SEC filings on Forms 3, 4, and 5, which can be found through the Company’s website at <http://investors.mybank.com/> or through the SEC’s website at [www.sec.gov](http://www.sec.gov). Information can also be found in the Company’s other SEC filings, including its Annual Report on Form 10-K for the year ended December 31, 2019. Updated information regarding the identity of potential participants, and their direct or indirect interests, by security holdings or otherwise, will be set forth in the definitive proxy statement and other materials to be filed with the SEC in connection with the 2020 annual meeting. Shareholders will be able to obtain the definitive proxy statement, any amendments or supplements to the proxy statement and other documents filed by the Company with the SEC at no charge at the SEC’s website at [www.sec.gov](http://www.sec.gov). Copies will also be available at no charge at the Company’s website at <http://investors.mybank.com/>.

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**Item 9.01. Financial Statements and Exhibits.**

(d) Exhibits.

The exhibits filed or furnished with this report are listed in the following Exhibit Index:

<u>Exhibit No.</u>	<u>Description</u>
<a href="#">3.1</a>	<a href="#">Third Amendment to Amended and Restated Bylaws of First United Corporation (filed herewith)</a>
<a href="#">99.1</a>	<a href="#">Lead Director Policy (filed herewith)</a>
<a href="#">99.2</a>	<a href="#">Security holdings of directors and executive officers (incorporated by reference to Exhibit 99.2 to the Corporation's Current Report on Form 8-K filed on March 26, 2020, Accession No. 0001104659-20-038576)</a>
<a href="#">99.3</a>	<a href="#">Press release dated March 27, 2020 (filed herewith)</a>

**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

FIRST UNITED CORPORATION

Dated: March 27, 2020

By: /s/ Tonya K. Sturm  
Tonya K. Sturm  
Senior Vice President & CFO

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## **Section 2: EX-3.1 (EXHIBIT 3.1)**

**Exhibit 3.1**

**THIRD AMENDMENT TO AMENDED AND RESTATED BYLAWS  
OF  
FIRST UNITED CORPORATION**

The Amended and Restated Bylaws, as amended (the "Bylaws"), of First United Corporation, a Maryland corporation, are hereby amended by deleting SECTION 2 and SECTION 3 of ARTICLE II thereof in their entireties and substituting the following in lieu thereof:

SECTION 2. Number of Directors; Qualifications. The number of directors shall be three (3) or such other number, but not less than three (3) nor more than twenty-five (25), as may be designated from time to time by resolution of a majority of the entire Board of Directors. Except for the Chairman of the Board if he or she is concurrently serving as the Chief Executive Officer and/or the President, no person shall be eligible for election to the Board of Directors at any meeting of stockholders if such person is or will be 72 years of age or older at any time during the calendar year in which such meeting is to be held.

SECTION 3. Election and Term of Office. The Board of Directors shall be divided into classes as described in the Articles of Incorporation. Each Director shall hold office until the expiration of the term for which the Director is elected, except as otherwise stated in these Bylaws, and thereafter until his or her successor has been elected and qualifies. Election of Directors need not be by written ballot, unless required by these Bylaws. Except as otherwise provided in these Bylaws or permitted by Maryland law, directors of the Corporation shall be elected by the stockholders. If at any meeting of stockholders directors of more than one class are to be elected, each class of directors shall be elected in a separate election. In elections for directors, if a quorum is present, directors shall be elected by a "majority of votes cast" (as defined herein), unless the election is contested, in which case directors shall be elected by a plurality of the votes cast. An election shall be contested if, as determined by the Board of Directors, the number of nominees exceeds the number of directors to be elected. For the purpose of this SECTION 3, a "majority of votes cast" means that the number of shares voted "for" a director exceeds the number of votes cast "against" that director (which shall include any votes that are "withheld" for that director). Any incumbent director who is nominated for election and fails to receive the required vote for reelection shall promptly deliver to the Board of Directors an irrevocable offer to resign from the Board of Directors. The Board of Directors will consider such director's offer to resign, taking into consideration any such factors that the Board of Directors deems relevant in deciding whether to accept such director's resignation, including any recommendation of its Nominating and Corporate Governance Committee. Any director whose offer to resign is under consideration may not participate in any deliberation or vote of the Board of Directors (or committee thereof)

regarding such offer, but may participate in the deliberation or vote of any other business transacted by the Board of Directors (or committee thereof). Within ninety (90) days after the date of certification of the election results, the Board of Directors will determine whether to accept or reject such director's offer to resign. Notwithstanding the foregoing, in the event that no nominee for director receives the vote required pursuant to this SECTION 3, any and all directors may participate in the Board of Directors' deliberation and vote regarding the directors' offers to resign.

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## **Section 3: EX-99.1 (EXHIBIT 99.1)**

**Exhibit 99.1**

### **FIRST UNITED CORPORATION LEAD DIRECTOR POLICY**

**Dated: March 27, 2020**

The duties and rights of the Corporation's Lead Independent Director shall include: (i) presiding at (a) all Board meetings at which the Chairman of the Board is not present, and (b) all executive sessions of independent directors; (ii) serving as a liaison between the Chairman of the Board and the independent directors; (iii) pre-approving Board meeting agendas; (iv) pre-approving Board meeting schedules to assure that there is sufficient time for discussion of all agenda items; (v) the authority to convene meetings of the independent directors; and (vi) if reasonably requested by shareholders, making himself or herself reasonably available for consultation and direct communication with major shareholders.

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## **Section 4: EX-99.3 (EXHIBIT 99.3)**

**Exhibit 99.3**

### **First United Provides Additional Details Regarding Board Refreshment Strategy**

*Robert W. Kurtz to Retire from the Company's Board of Directors*

OAKLAND, Md. – March 27, 2020 – First United Corporation (NASDAQ: FUNC), a bank holding company and the parent company of First United Bank & Trust (the "Company" or "First United"), today provided an update regarding its Board of Directors (the "Board") refreshment strategy.

Board refreshment efforts began in 2014 and have since seen the addition of several high caliber directors. In 2019, First United reduced the size of the Board when Robert Stuck retired, allowing for a more nimble and flexible Board that is better able to meet the needs of shareholders and banking customers. In June 2020, Robert W. Kurtz will retire. Thereafter, pursuant to the Board's mandatory retirement policy, two additional incumbent directors will leave the Board at the conclusion of the 2021 annual meeting and one additional incumbent director will leave the Board at the conclusion of the 2023 annual meeting. Within a 10-year span, the Board will have more than 60% of its directors refreshed, achieving the goals set forth by the Board.

John W. McCullough, First United's Lead Independent Director, said, "Over the past six years, the Board has focused on enhancing its corporate governance practices so that it is comprised of the individuals best able to steward the business on behalf of our shareholders. We believe that adding new, independent and experienced directors who can bring fresh perspectives that complement the strengths and expertise of our current directors will further enable us to identify opportunities to innovate and evolve with respect to our corporate governance and Board composition. First United has always welcomed input from shareholders when implementing corporate governance enhancements and will continue to do so moving forward."

At the same time that Robert Kurtz prepares to retire from the Board in 2020, First United is conducting a search with an emphasis on candidates identified as being diverse and providing specific skill sets in areas such as regulatory, compliance, technology and innovation. In line with this goal, and as the Company recently announced, it was recognized as a "Winning (W)" company by 2020 Women on Boards, the premier global education and advocacy campaign committed to increasing the number of women on corporate boards.

Commenting on Mr. Kurtz's upcoming retirement, Mr. McCullough said, "Bob has had a distinguished career with First United through both volatile markets and times of economic expansion. In addition to Bob's tenure with First United, he is well-respected and an avid supporter of local communities. On behalf of the Board, I want to personally thank Bob for his service to the Company and we wish him well in retirement."

#### **ABOUT FIRST UNITED CORPORATION**

First United Corporation is the parent company of First United Bank & Trust, a Maryland trust company with commercial banking powers (the "Bank"), and two statutory trusts that were used as financing vehicles. The Bank has four wholly-owned subsidiaries: OakFirst Loan Center, Inc., a West Virginia finance company; OakFirst Loan Center, LLC, a Maryland finance company; First OREO Trust, a Maryland statutory trust that holds and services real estate acquired by the Bank through foreclosure or by deed in lieu of foreclosure; and FUBT OREO I, LLC, a Maryland company that likewise holds and services real estate acquired by the Bank through foreclosure or by deed in lieu of foreclosure. The Bank also owns 99.9% of the limited partnership interests in Liberty Mews Limited Partnership; a Maryland limited partnership formed for the purpose of acquiring, developing and operating low-income housing units in Garrett County, Maryland. First United Corporation's website is [www.mybank.com](http://www.mybank.com).

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## FORWARD-LOOKING STATEMENTS

This press release contains forward-looking statements as defined by the Private Securities Litigation Reform Act of 1995. Forward-looking statements do not represent historical facts, but are statements about management's beliefs, plans and objectives about the future, as well as its assumptions and judgments concerning such beliefs, plans and objectives. These statements are evidenced by terms such as "anticipate," "estimate," "will," "should," "expect," "believe," "intend," and similar expressions. Although these statements reflect management's good faith beliefs and projections, they are not guarantees of future performance and they may not prove true. These projections involve risk and uncertainties that could cause actual results to differ materially from those addressed in the forward-looking statements. For a discussion of these risks and uncertainties, see the section of the periodic reports that First United Corporation files with the Securities and Exchange Commission (the "SEC") entitled "Risk Factors".

## IMPORTANT ADDITIONAL INFORMATION

First United, its directors and certain of its executive officers will be deemed to be participants in the solicitation of proxies from First United's shareholders in connection with First United's 2020 annual meeting of shareholders. First United intends to file a definitive proxy statement and a proxy card with the SEC in connection with any such solicitation of proxies from First United shareholders. **SHAREHOLDERS OF FIRST UNITED ARE STRONGLY ENCOURAGED TO READ SUCH PROXY STATEMENT, ACCOMPANYING PROXY CARD AND ALL OTHER DOCUMENTS FILED WITH THE SEC CAREFULLY AND IN THEIR ENTIRETY WHEN THEY BECOME AVAILABLE AS THEY WILL CONTAIN IMPORTANT INFORMATION.** Exhibit 99.2 to First United's Current Report on Form 8-K filed with the SEC on March 26, 2020 ("Exhibit 99.2"), is incorporated herein by reference and contains information regarding the direct and indirect interests, by securities holdings or otherwise, of First United's directors and executive officers in First United's securities. If the holdings of First United's securities change from the amounts provided in Exhibit 99.2, such changes will be set forth in SEC filings on Form 3, 4, and 5, which can be found through First United's website at <http://investors.mybank.com/> or through the SEC's website [www.sec.gov](http://www.sec.gov). Information can also be found in First United's other SEC filings, including its Annual Report on Form 10-K for the year ended December 31, 2019. Updated information regarding the identity of potential participants, and their direct or indirect interests, by security holdings or otherwise, will be set forth in the definitive proxy statement and other materials to be filed with the SEC in connection with the 2020 annual meeting of shareholders. Shareholders will be able to obtain the definitive proxy statement, any amendments or supplements to the proxy statement and other documents filed by First United with the SEC at no charge at the SEC's website [www.sec.gov](http://www.sec.gov). Copies will also be available at no charge at First United's website at <http://investors.mybank.com/>.

### Shareholder Contact

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