

MARINEMAX INC  
Form DEF 14A  
December 23, 2015  
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**UNITED STATES**  
**SECURITIES AND EXCHANGE COMMISSION**  
**WASHINGTON, DC 20549**  
**SCHEDULE 14A**

**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 Material Pursuant to §240.14a-12

**MarineMax, Inc.**

**(Name of Registrant as Specified in its Charter)**

**(Name of Person(s) Filing Proxy Statement, if Other Than the Registrant)**

Payment of Filing Fee (Check the appropriate box):

- No fee required.
- Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

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**MARINEMAX, INC.**

**NOTICE OF ANNUAL MEETING OF SHAREHOLDERS**

**February 18, 2016**

An Annual Meeting of Shareholders of MarineMax, Inc., a Florida corporation, will be held at 8:00 a.m., local time, on Thursday, February 18, 2016, at our principal executive offices located at 2600 McCormick Drive, Suite 200, Clearwater, Florida 33759 for the following purposes:

1. To elect three directors, each to serve for a three-year term expiring in 2019.
2. To approve (on an advisory basis) our executive compensation ( say-on-pay ).
3. To reapprove our Incentive Compensation Program.
4. To ratify the appointment of KPMG LLP, an independent registered public accounting firm, as the independent auditor of our company for the fiscal year ending September 30, 2016.
5. To transact such other business as may properly come before the meeting or any adjournment thereof.

The foregoing items of business are more fully described in the proxy statement accompanying this notice.

Only shareholders of record at the close of business on December 14, 2015 are entitled to notice of and to vote at the meeting.

All shareholders are cordially invited to attend the meeting and vote in person. To assure your representation at the meeting, however, we urge you to vote by proxy as promptly as possible over the Internet or by phone as instructed in the Notice of Internet Availability of Proxy Materials or, if you receive paper copies of the proxy materials by mail, you can also vote by mail by following the instructions on the proxy card. You may vote in person at the meeting even if you have previously returned a proxy.

Sincerely,

MICHAEL H. McLAMB

Secretary

Clearwater, Florida

December 23, 2015

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**MARINEMAX, INC.**

**2600 McCormick Drive, Suite 200**

**Clearwater, Florida 33759**

**PROXY STATEMENT**

**VOTING AND OTHER MATTERS**

**General**

The accompanying proxy is solicited on behalf of MarineMax, Inc., a Florida corporation, by our Board of Directors for use at our Annual Meeting of Shareholders to be held at 8:00 a.m. on Thursday, February 18, 2016, or at any adjournment thereof, for the purposes set forth in this proxy statement and in the accompanying notice. The meeting will be held at our principal executive offices located at 2600 McCormick Drive, Suite 200, Clearwater, Florida 33759.

In accordance with rules adopted by the Securities and Exchange Commission, or the SEC, that allow companies to furnish their proxy materials over the Internet, we are mailing a Notice of Internet Availability of Proxy Materials instead of a paper copy of our proxy statement and our 2015 Annual Report to most of our shareholders. The Notice of Internet Availability of Proxy Materials contains instructions on how to access those documents and vote over the Internet. The Notice of Internet Availability of Proxy Materials also contains instructions on how to request a paper copy of our proxy materials, including our proxy statement, our 2015 Annual Report, and a form of proxy card. We believe this process will allow us to provide our shareholders the information they need in a more timely manner, while reducing the environmental impact and lowering our costs of printing and delivering the proxy materials.

These proxy solicitation materials were first distributed on or about December 23, 2015 to all shareholders entitled to vote at the meeting.

**Record Date and Outstanding Shares**

Shareholders of record at the close of business on December 14, 2015 are entitled to notice of and to vote at the meeting. On the record date, there were issued and outstanding 25,642,613 shares of our common stock. Each holder of common stock voting at the meeting, either in person or by proxy, may cast one vote per share of common stock held on all matters to be voted on at the meeting.

If, at the close of business on December 14, 2015, your shares were registered directly in your name with our transfer agent, American Stock Transfer & Trust Company, then you are a shareholder of record. As a shareholder of record, you may vote in person at the meeting. Alternatively, you may vote over the Internet as described above. Whether or not you plan to attend the meeting, we urge you to fill out and return the enclosed proxy card or vote by proxy over the telephone or on the Internet as instructed on the enclosed proxy card to ensure your vote is counted. Even if you have submitted a proxy before the meeting, you may still attend the meeting and vote in person.

If, at the close of business on December 14, 2015, your shares were held in an account at a brokerage firm, bank, or similar organization, then you are the beneficial owner of shares held in street name and these proxy materials are being forwarded to you by that organization. The organization holding your account is considered 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 nominee on how to vote the shares in your account. You should have received



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voting instructions with these proxy materials from that organization rather than from us. You should follow the instructions provided by that organization to submit your vote. You are also invited to attend the meeting in person. However, because you are not the shareholder of record, you may not vote your shares in person at the meeting unless you obtain a legal proxy from the broker, bank, or other nominee that holds your shares giving you the right to vote the shares at the meeting.

### **Quorum**

The presence, in person or by proxy, of the holders of a majority of the total number of shares entitled to vote constitutes a quorum for the transaction of business at the meeting.

### **Required Votes**

For the election of the three director nominees for three-year terms expiring in 2019, our Bylaws provide that a nominee for director shall be elected to the Board of Directors if the votes cast for such nominee's election exceed the votes cast against such nominee's election; provided, however, that directors shall be elected by a plurality of the votes cast at any meeting of shareholders for which: (1) the Secretary of the Corporation receives a notice that a shareholder has nominated a person for election to the Board of Directors in compliance with the advance notice requirements set forth in our Bylaws or (2) the number of nominees otherwise exceeds the number of directors to be elected. If directors are to be elected by a plurality of the votes cast, shareholders shall not be permitted to vote against a nominee.

For the vote to ratify the appointment of KPMG LLP as the independent auditor of our company for the fiscal year ending September 30, 2016 and to reapprove our Incentive Compensation Program so as to take advantage of the benefits of Section 162(m) of the Internal Revenue Code, the affirmative vote of the holders of a majority of the votes cast is required. While the say-on-pay is non-binding, our Board will consider the input of shareholders based on a majority of votes cast for the say-on-pay proposal.

Votes cast by proxy or in person at the meeting will be tabulated by the election inspector appointed for the meeting who will determine whether a quorum is present. The election inspector will treat abstentions as shares that are present and entitled to vote for purposes of determining the presence of a quorum, but as unvoted for purposes of determining the approval of any matter submitted to the shareholders for a vote. If a broker indicates on the proxy that it does not have discretionary authority as to certain shares to vote on a particular matter, those shares will not be considered as present and entitled to vote for purposes of determining the presence of a quorum, but as unvoted for purposes of determining the approval of any matter submitted to the shareholders for a vote.

### **Voting of Proxies**

When a proxy is properly executed and returned, the shares it represents will be voted at the meeting as directed. If no specification is indicated, the shares will be voted: (1) for the election of each of the nominees for director set forth in this proxy statement; (2) for the say-on-pay vote; (3) for the proposal to reapprove our Incentive Compensation Program; (4) for the proposal to ratify the appointment of KPMG LLP, an independent registered public accounting firm, as the independent auditor of our company for the fiscal year ending September 30, 2016; and (5) as the persons specified in the proxy deem advisable on such other matters as may come before the meeting.

### **Broker Non-Votes and Abstentions**

Brokers, banks, or other nominees that hold shares of common stock in street name for a beneficial owner of those shares typically have the authority to vote in their discretion if permitted by the stock exchange or other organization of which they are members. Brokers, banks, and other nominees are permitted to vote the beneficial owner's proxy in their own discretion as to certain routine proposals when they have not received instructions from the beneficial owner, such as the ratification of the appointment of KPMG LLP as the independent auditor of our company for the fiscal year ending September 30, 2016. If a broker, bank, or other nominee votes such

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uninstructed shares for or against a routine proposal, those shares will be counted towards determining whether a quorum is present and are considered entitled to vote on the routine proposals. However, where a proposal is non-routine, a broker, bank, or other nominee is not permitted to exercise its voting discretion on that proposal without specific instructions from the beneficial owner. These non-voted shares are referred to as broker non-votes when the nominee has voted on other non-routine matters with authorization or voted on routine matters. These shares will be counted towards determining whether or not a quorum is present, but will not be considered entitled to vote on the non-routine proposals.

**Please note that brokers, banks, and other nominees may not use discretionary authority to vote shares on the election of directors, the say-on-pay proposal, or the proposal to reapprove our Incentive Compensation Program. For your vote to be counted in the above, you now will need to communicate your voting decisions to your broker, bank, or other nominee before the date of the meeting.**

As provided in our bylaws, a majority of the votes cast means that the number of votes cast for a proposal exceeds the number of votes cast against that proposal. Because abstentions and broker non-votes do not represent votes cast for or against a proposal, broker non-votes and abstentions will have no effect on the proposal to elect directors, the say-on-pay proposal, the proposal to reapprove our Incentive Compensation Program, or the proposal to ratify the appointment of KPMG LLP as the independent auditor of our company for the fiscal year ending September 30, 2016, as each such proposal is determined by reference to the votes actually cast by the shares present or represented by proxy and entitled to vote.

In accordance with our Corporate Governance Guidelines, an incumbent candidate for director who does not receive the required votes for re-election is expected to tender his or her resignation to our Board of Directors. Our Board of Directors, or another duly authorized committee of our Board of Directors, will make a determination as to whether to accept or reject the tendered resignation generally within 90 days after certification of the election results of the shareholder vote. We will publicly disclose the decision regarding the tendered resignation and the rationale behind the decision in a filing of a Current Report on Form 8-K with the SEC.

### **Revocability of Proxies**

Any shareholder giving a proxy may revoke the proxy at any time before its use by furnishing to us either a written notice of revocation or a duly executed proxy bearing a later date, or by attending the meeting and voting in person. Attendance at the meeting will not cause your previously granted proxy to be revoked unless you specifically so request.

### **Election Inspector**

Votes cast by proxy or in person at the meeting will be tabulated by the election inspector appointed for the meeting, who will determine whether a quorum is present. The election inspector will treat broker non-votes and abstentions as shares that are present and entitled to vote for purposes of determining the presence of a quorum, and as described in the Broker Non-Votes and Abstentions section of this proxy statement for purposes of determining the approval of any matter submitted to the shareholders for a vote.

### **Solicitation**

We will bear the cost of this solicitation. In addition, we may reimburse brokerage firms and other persons representing beneficial owners of shares for expenses incurred in forwarding solicitation materials to such beneficial owners. Proxies also may be solicited by certain of our directors and officers, personally or by telephone or e-mail, without additional compensation.

### **Annual Report and Other Matters**

Our 2015 Annual Report on Form 10-K, which was made available to shareholders with or preceding this proxy statement, contains financial and other information about our company, but, except as indicated therein, is



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not incorporated into this proxy statement and is not to be considered a part of these proxy materials or subject to Regulations 14A or 14C or to the liabilities of Section 18 of the Securities Exchange Act of 1934, as amended, or the Exchange Act. The information contained in the Compensation Committee Report and the Report of the Audit Committee shall not be deemed filed with the SEC or subject to Regulations 14A or 14C or to the liabilities of Section 18 of the Exchange Act.

Through our website, *www.MarineMax.com*, we make available free of charge all of our SEC filings, including our proxy statements, our annual reports on Form 10-K, our quarterly reports on Form 10-Q, and our current reports on Form 8-K, as well as Form 3, Form 4, and Form 5 reports of our directors, officers, and principal shareholders, together with amendments to these reports filed or furnished pursuant to Sections 13(a), 15(d), or 16 of the Exchange Act.

**We will provide, without charge, a printed copy of our Annual Report on Form 10-K for the fiscal year ended September 30, 2015 as filed with the SEC to each shareholder of record as of the record date that requests a copy in writing. Any exhibits listed in the Form 10-K report also will be furnished upon request at the actual expense incurred by us in furnishing such exhibits. Any such requests should be directed to our company’s secretary at our executive offices set forth in this proxy statement.**

**PROPOSAL ONE**

**ELECTION OF DIRECTORS**

**Nominees**

Our articles of incorporation and bylaws provide that the number of directors shall be fixed from time to time by resolution of our Board of Directors. Currently, the number of directors is fixed at eight and that number of directors is divided into three classes, with one class standing for election each year for a three-year term. The Board of Directors has nominated Hilliard M. Eure, III, Joseph A. Watters, and Dean S. Woodman for election as Class III directors for three-year terms expiring in 2019 or until their respective successors have been elected and qualified.

Unless otherwise instructed, the proxy holders will vote the proxies received by them for each of the nominees named above. Mr. Eure, Mr. Watters, and Mr. Woodman currently are directors of our company. In the event that any nominee is unable or declines to serve as a director at the time of the meeting, the proxies will be voted for any nominee designated by the current Board of Directors to fill the vacancy. It is not expected that the nominees will be unable or will decline to serve as directors.

The Board of Directors recommends a vote **for** the nominees named herein.

The following table sets forth certain information regarding our directors.

<b>Name</b>	<b>Age</b>	<b>Position</b>
William H. McGill Jr.	72	Chairman of the Board, President, Chief Executive Officer, and Director
Michael H. McLamb	50	Executive Vice President, Chief Financial Officer, Secretary, and Director
Hilliard M. Eure III	79	Director(2)(3)(4)
Evelyn V. Follit	69	Director(2)(3)
Clint Moore	68	Director(1)(2)
Charles R. Oglesby	68	Director(1)(3)
Joseph A. Watters	74	Director(1)(3)
Dean S. Woodman	87	Director(1)(2)(3)

(1) Member of the Compensation Committee.

(2) Member of the Audit Committee.

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(3) Member of Nominating/Corporate Governance Committee.

(4) Lead Independent Director

*William H. McGill Jr.* has served as the Chief Executive Officer of our company since January 1998 and as the Chairman of the Board and as a director of our company since March 1998. Mr. McGill served as President of our company from January 1998 until September 2000 and re-assumed that position in July 2002. Mr. McGill was the principal owner and president of Gulfwind USA, Inc. from 1973 until its merger with our company in March 1998. Mr. McGill received a BS in Mechanical engineering from the University of Dayton in 1965 and worked for Pratt and Whitney Aircraft, Northrop Nortronics, and Colgate Palmolive prior to Gulfwind Marine. We believe Mr. McGill's service for more than 17 years as the Chief Executive Officer of our company; his intimate knowledge and experience with all aspects of the business, operations, opportunities, and challenges of our company; and his understanding of our culture, personnel, and strategies provide the requisite qualifications, skills, perspectives, and experience that make him well qualified to serve on our Board of Directors. We also believe that it is customary for the Chief Executive Officer to serve on the Board of Directors.

*Michael H. McLamb* has served as Executive Vice President of our company since October 2002, as Chief Financial Officer since January 1998, as Secretary since April 1998, and as a director since November 2003. Mr. McLamb served as Vice President and Treasurer of our company from January 1998 until October 2002. Mr. McLamb, a certified public accountant, was employed by Arthur Andersen LLP from December 1987 to December 1997, serving most recently as a senior manager. We believe Mr. McLamb's long service as our Chief Financial Officer for more than 17 years, his knowledge of the financial and operational aspects of our business, and his experience in public accounting provide the requisite qualifications, skills, perspectives, and experience that make him well qualified to serve on our Board of Directors.

*Hilliard M. Eure III* has served as a director of our company since December 2004 and has served as lead independent director since 2011. Mr. Eure was Managing Partner of the Tampa Bay office of KPMG (formerly Peat, Marwick, Mitchell & Co.) from July 1977 until 1993. From July 1968 until June 1977, he served as an Audit Partner in the Greensboro, North Carolina and Atlanta offices of KPMG. From 1993 until 2003, he was a consultant for several companies, including serving as President of a beverage retailing company. Since November 2009, he has served on the board of directors of USF Health Professions Conferencing Corporation, which operates the Center for Advanced Medical Learning and Simulation. Mr. Eure previously served as a director of WCI Communities, Inc., a homebuilder whose stock was listed on the New York Stock Exchange. We believe Mr. Eure's long career in public accounting, his financial, business, and accounting expertise, and his service as a public company director provide the requisite qualifications, skills, perspectives, and experience that make him well qualified to serve on our Board of Directors. Mr. Eure qualifies as an audit committee financial expert.

*Evelyn V. Follit* has served as a director of our company since September 2015. Ms. Follit has been the President of Follit Associates, a corporate technology and executive assessment consulting firm since 2005. From 1997 to 2005, she was an executive of RadioShack Corporation, a consumer electronics retail company, where she held the positions of Senior Vice President, Chief Information Officer, and Chief Organizational Enabling Services Officer. Ms. Follit has over 20 years in leadership positions with major corporations including IBM and Dun & Bradstreet, in the areas of information technology, human resources and operations management. She is currently on the boards of TECO Energy, Inc. and Beall's Inc. We believe Ms. Follit's senior management positions and wealth of experience in information technology and human resources make her well-qualified to serve on our Board of Directors. Ms. Follit qualifies as an audit committee financial expert.

*Clint Moore* has served as a director of our company since December 2014. Mr. Moore served as President of Volvo Penta of the Americas, a supplier of engines and complete power systems for marine and industrial applications, from 1996 to 2012. His prior roles also include serving as President of the Bassett Boat Company of Florida from 1994 to 1996 and Glastron Boat Company and Larson Boat Company, both divisions of Genmar Corporation at the time, from 1989 to 1994. Mr. Moore began his career in the marine industry with Mercury Marine in 1974, where he ultimately served as Vice President of Sales, Marketing, and Service for all of North America. We believe that his senior management positions with leading companies in the marine industry

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provide the requisite qualifications, skills, perspectives, and experience that make him well qualified to serve on our Board of Directors. Mr. Moore also qualifies as an audit committee financial expert.

*Charles R. Oglesby* has served as a director of our company since June 2012. Mr. Oglesby served as President and Chief Executive Officer of Asbury Automotive Group, Inc. from March 2007 until February 2011 and as Executive Chairman from February 2011 until July 2011. Mr. Oglesby joined Asbury in February 2002 as President of North Point Automotive Group in Little Rock, Arkansas and in 2004 assumed the additional responsibility of Nalley Automotive Group. Prior to joining North Point, he was President of the San Francisco-based First America Automotive, a 36-dealership group. Asbury Automotive Group is one of the largest automobile retailers in the United States. We believe that Mr. Oglesby's executive leadership positions and wealth of experience and expertise in growing a business model with strong similarities to our company provide the requisite qualifications, skills, perspectives, and experience that make him well qualified to serve on our Board of Directors.

*Joseph A. Watters* has served as a director of our company since October 2005. Mr. Watters is a private investor. Mr. Watters served as the Chairman of Oceania Cruises, a cruise line, from January 2003 to December 2007. Mr. Watters served as President and Chief Operating Officer of Crystal Cruises from 1994 to 2001. While at Crystal Cruises, Mr. Watters was a member of the International Council of Cruise Lines executive committee from 1999 to 2001 and Board of Directors from 1994 to 2001. He was also a member of the Cruise Line International Association's executive committee from 1995 to 1996 and management committee from 1994 to 2001. Prior to Crystal Cruises, Mr. Watters served as President and Owner of The Watters Group, President of Royal Viking Line from 1985 to 1989, and President of Princess Cruises from 1981 to 1985. Mr. Watters began his cruise line career with Princess Cruises in 1977. We believe that Mr. Watters' senior management positions with leading companies in the cruise industry, his experience as an investor, and his service as a director of multiple companies provide the requisite qualifications, skills, perspectives, and experience that make him well qualified to serve on our Board of Directors.

*Dean S. Woodman* has served as a director of our company since September 1999. Since July 1999, Mr. Woodman has served as a consultant to public and private companies specializing in financial assignments, private equity and debt placements, and mergers and acquisitions. Mr. Woodman was a Managing Director of ING Barings LLC (and its predecessor Furman Selz), an international investment banking firm, from July 1989 to June 1999 and a Managing Director in the investment banking group of Hambrecht & Quist from October 1984 to March 1988. Mr. Woodman was a founding partner of Robertson Colman Stephens & Woodman in 1978 and of Woodman, Kirkpatrick & Gilbreath in 1982. Previously, Mr. Woodman worked in the investment banking division of Merrill Lynch for 23 years, where he spent 16 years as director of West Coast corporate financing until 1978. Mr. Woodman serves as a director of Medallion Bank, a wholly owned subsidiary of Medallion Financial Corp., a publicly traded commercial finance company. In addition, Mr. Woodman previously served as Chairman of both Woodman Laboratories, Inc., a privately owned consumer products company, and SciClone Pharmaceuticals, Inc., a publicly traded biotechnology company. We believe Mr. Woodman's long career in investment banking and his experience as an investor in numerous public and private companies provide the requisite qualifications, skills, perspectives, and experience that make him well qualified to serve on our Board of Directors. Mr. Woodman also qualifies as an audit committee financial expert.

**CORPORATE GOVERNANCE**

**Director Independence**

Our Board of Directors has determined, after considering all the relevant facts and circumstances, that Messrs. Eure, Moore, Oglesby, Watters, Woodman, and Ms. Follit are independent directors, as independence is defined by the listing standards of the New York Stock Exchange, because they have no material relationship with us (either directly or as a partner, shareholder, or officer of an organization that has a relationship with us). Messrs. McGill and McLamb are employee directors and accordingly, are not independent.

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### **Classification of our Board of Directors**

Our Board of Directors is divided into three classes, with one class standing for election each year for a three-year term. At each annual meeting of shareholders, directors of a particular class will be elected for three-year terms to succeed the directors of that class whose terms are expiring. Messrs. Eure, Watters, and Woodman are Class III directors whose terms will expire at the meeting, but have been nominated by our Board of Directors for re-election for three-year terms expiring in 2019. Ms. Follit, Mr. McLamb, and Mr. Moore are Class I directors whose terms will expire in 2017. Messrs. McGill and Oglesby are Class II directors whose terms will expire in 2018. There are no family relationships among any of our directors.

### **Committee Charters, Corporate Governance, and Code of Ethics**

Our Board of Directors has adopted charters for the Audit, Compensation, and Nominating/Corporate Governance Committees describing the authority and responsibilities delegated to each committee by our Board of Directors. Our Board of Directors has also adopted Corporate Governance Guidelines, a Code of Business Conduct and Ethics, and a Code of Ethics for the CEO and Senior Financial Officers. We post on our website, at [www.MarineMax.com](http://www.MarineMax.com), the charters of our Audit, Compensation, and Nominating/Corporate Governance Committees; our Corporate Governance Guidelines, Code of Business Conduct and Ethics, and Code of Ethics for the CEO and Senior Financial Officers, and any amendments or waivers thereto; and any other corporate governance materials contemplated by SEC or New York Stock Exchange regulations. These documents are also available in print to any shareholder requesting a copy in writing from our corporate secretary at our executive offices set forth in this proxy statement.

### **Executive Sessions**

We regularly schedule executive sessions in which non-employee directors, meet without the presence or participation of management, with at least one of such sessions each year including only independent directors. The Lead Independent Director chairs the executive sessions.

### **Board Committees**

Our Board of Directors has an Audit Committee, a Compensation Committee, and a Nominating/Corporate Governance Committee, each consisting entirely of independent directors.

#### **The Audit Committee**

The purpose of the Audit Committee is to assist the oversight of our Board of Directors of the integrity of the financial statements of our company, our company's compliance with legal and regulatory matters, the independent auditor's qualifications and independence, and the performance of our company's independent auditor and internal audit function. The primary responsibilities of the Audit Committee are set forth in its charter and include various matters with respect to the oversight of our company's accounting and financial reporting process and audits of the financial statements of our company; reviews the proposed scope of such audit; reviews accounting and financial controls of our company with the independent auditor and our financial accounting staff; and reviews and approves transactions between us and our directors, officers, and their affiliates.

The Audit Committee currently consists of Messrs. Eure, Moore, Woodman, and Ms. Follit, each an independent director of our company under the New York Stock Exchange rules as well as under rules adopted by the SEC pursuant to the Sarbanes-Oxley Act of 2002. Mr. Eure serves as the Chairman of the Audit Committee. The Board of Directors has determined that Messrs. Eure, Moore, Woodman, and Ms. Follit (whose backgrounds are detailed above) each qualify as an audit committee financial expert in accordance with applicable rules and regulations of the SEC.

#### **The Compensation Committee**

The purpose and responsibilities of the Compensation Committee include reviewing and approving corporate goals and objectives relevant to the compensation of our Chief Executive Officer, evaluating the

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performance of our Chief Executive Officer in light of those goals and objectives, and, either as a committee or together with the other independent directors (as directed by the Board of Directors), determining and approving the compensation level of our Chief Executive Officer based on this evaluation. The Compensation Committee also recommends to the Board of Directors, or as directed by the Board of Directors determines and approves, the compensation of our other executive officers, and considers the grant of stock-based awards to our executive officers under our 2011 Stock-Based Compensation Plan. The Compensation Committee currently consists of Messrs. Moore, Oglesby, Watters, Woodman, with Mr. Moore serving as Chairman.

### **The Nominating/Corporate Governance Committee**

The purpose and responsibilities of the Nominating/Corporate Governance Committee include the identification of individuals qualified to become board members, the selection or recommendation to the Board of Directors of nominees to stand for election as directors at each election of directors, the development and recommendation to the Board of Directors of a set of corporate governance principles applicable to our company, the oversight of the selection and composition of committees of the Board of Directors, and the oversight of the evaluations of the Board of Directors and management. The Nominating/Corporate Governance Committee currently consists of Messrs. Eure, Oglesby, Watters, Woodman, and Ms. Follit with Mr. Watters serving as Chairman. The Nominating/Corporate Governance committee will consider persons recommended by shareholders for inclusion as nominees for election to our Board of Directors if the names, biographical data, and qualifications of such persons are submitted in writing in a timely manner consistent with our bylaws and addressed and delivered to our company's secretary at the address listed herein. The Nominating/Corporate Governance Committee identifies and evaluates nominees for our Board of Directors, including nominees recommended by shareholders, based on numerous factors it considers appropriate, some of which may include strength of character, mature judgment, career specialization, relevant technical skills, diversity, and the extent to which the nominee would fill a present need on our Board of Directors. As discussed above, the members of the Nominating/Corporate Governance Committee are independent, as that term is defined by the listing standards of the New York Stock Exchange.

### **Risk Assessment of Compensation Policies and Practices**

We have assessed the compensation policies and practices with respect to our employees, including our executive officers, and have concluded that they do not create risks that are reasonably likely to have a material adverse effect on our company. This determination is based on the following factors intended to encourage our employees, including our executive officers, to not take unreasonable risks:

For cash incentive compensation, a broad array of performance metrics were used, including a mixture of consolidated and business-specific goals, as well as certain operational and financial metrics, with no single factor receiving an excessive weighting.

Relationships between performance metrics and the corresponding compensation payouts intended to mitigate risk by avoiding significant changes in compensation payouts based on relatively small changes in the related performance.

A mix of performance-based cash awards and equity based awards is intended to avoid having a relatively high percentage of compensation tied to one element. We believe that equity based awards should reduce risky behavior because these awards are designed to retain employees and are earned over relatively long measurement periods, thereby discouraging risky behavior.

A mix of short-term and long-term compensation creates varied time periods for compensation purposes.

A reasonable degree of difficulty is set for performance targets for the cash incentive compensation, but not so difficult so as to encourage unreasonable risk taking.

Minimum stock ownership guidelines for our non-employee directors to, among other things, encourage them to act in a more risk-averse manner to avoid a significant decrease in their net worth.

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Our Compensation Committee and Board of Directors oversee our compensation programs. We believe this mitigates risk by empowering a group of independent directors with substantial experience and expertise who owe fiduciary duties to act in the best interests of our shareholders.

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Advice from outside advisors who are knowledgeable regarding structuring various compensation policies and their associated risks.

### **Board's Role in Risk Oversight**

Risk is inherent in every business. As is the case in virtually all businesses, we face a number of risks, including operational, economic, financial, legal, regulatory, and competitive risks. Our management is responsible for the day-to-day management of the risks we face. Our Board of Directors, as a whole and through its committees, has responsibility for the oversight of risk management.

In its oversight role, our Board of Directors' involvement in our business strategy and strategic plans plays a key role in its oversight of risk management, its assessment of management's risk appetite, and its determination of the appropriate level of enterprise risk. Our Board of Directors receives updates at least quarterly from senior management and periodically from outside advisors regarding the various risks we face, including operational, economic, financial, legal, regulatory, and competitive risks. Our Board of Directors also reviews the various risks we identify in our filings with the SEC as well as risks relating to various specific developments, such as acquisitions, stock repurchases, debt and equity placements, and product introductions.

Our Board committees assist our Board of Directors in fulfilling its oversight role in certain areas of risks. Pursuant to its charter, the Audit Committee oversees the financial and reporting processes of our company and the audit of the financial statements of our company and provides assistance to our Board of Directors with respect to the oversight and integrity of the financial statements of our company, our company's compliance with legal and regulatory matters, the independent auditor's qualification and independence, and the performance of our independent auditor. The Compensation Committee considers the risks that our compensation policies and practices may have in attracting, retaining, and motivating valued employees and endeavors to assure that it is not reasonably likely that our compensation plans and policies would have a material adverse effect on our company. Our Nominating/Corporate Governance Committee oversees governance related risks, such as board independence, conflicts of interests, and management succession planning.

### **Board Diversity**

We seek diversity in experience, viewpoint, education, skill, and other individual qualities and attributes to be represented on our Board of Directors. We believe directors should have various qualifications, including individual character and integrity; business experience and leadership ability; strategic planning skills, ability, and experience; requisite knowledge of our industry and finance, accounting, and legal matters; communications and interpersonal skills; and the ability and willingness to devote time to our company. We also believe the skill sets, backgrounds, and qualifications of our directors, taken as a whole, should provide a significant mix of diversity in personal and professional experience, background, viewpoints, perspectives, knowledge, and abilities. Nominees are not to be discriminated against on the basis of race, religion, national origin, gender, sexual orientation, disability, or any other basis prohibited by law. The assessment of directors is made in the context of the perceived needs of our Board of Directors from time to time.

All of our directors have held or currently hold high-level positions in business or professional service firms and have experience in dealing with complex issues. We believe that all of our directors are individuals of high character and integrity, are able to work well with others, and have committed to devote sufficient time to the business and affairs of our company. In addition to these attributes, the description of each director's background sets forth above indicates the specific experience, qualifications, and skills necessary to conclude that each individual should continue to serve as a director of our company.

### **Board Leadership Structure**

We believe that effective board leadership structure can depend on the experience, skills, and personal interaction between persons in leadership roles as well as the needs of our company at any point in time. Our Corporate Governance Guidelines support flexibility in the structure of the board by not requiring the separation of the roles of Chairman of the Board and Chief Executive Officer.



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Our Board of Directors currently believes that it is in the best interests of our company to have our Chief Executive Officer also serve as the Chairman of the Board. Our Chairman and Chief Executive Officer provides strong, clear, and unified leadership that is critical in our relationships with our shareholders, employees, customers, suppliers, and other stakeholders. The extensive knowledge of the Chief Executive Officer regarding our operations and industries and the markets in which we compete uniquely positions him to identify strategies and prioritize matters for board review and deliberation. Additionally, we believe the combined role of Chairman and Chief Executive Officer facilitates centralized board leadership in one person, so there is no ambiguity about accountability. The Chief Executive Officer serves as a bridge between management and the board, ensuring that both groups act with a common purpose. This structure also eliminates conflict between two leaders and minimizes the possibility of two spokespersons sending different messages.

The board does not believe that combining the position creates significant risks, including any risk that the Chairman and Chief Executive Officer will have excessive or undue influence over the agenda or deliberations of the board. We believe we have effective and active oversight by experienced independent directors and independent committee chairs, and the independent directors meet together in executive session at virtually every board meeting. We also have established a position of Lead Independent Director who performs many of the duties that would be performed by an independent board chair. We currently select, on an annual basis, one of our independent directors to serve as Lead Independent Director for the year. Mr. Eure currently serves as our Lead Independent Director and he has extensive business experience which benefit him in this role.

The Chairman of the Board provides guidance to the board; facilitates an appropriate schedule for board meetings; sets the agenda for board meetings; presides over meetings of the board; and facilitates the quality, quantity, and timeliness of the flow of information from management that is necessary for the board to effectively and responsibly perform its duties.

The Chief Executive Officer is responsible for the day-to-day leadership of our company and setting our company's strategic direction.

The Lead Independent Director's duties include presiding over executive sessions of our independent directors; serving as a liaison between the non-employee directors, the Chief Executive Officer and the Chairman of the Board; chairing meetings of the Board of Directors in the absence of the Chairman of the Board; reviewing the agenda for each meeting of the Board of Directors; consulting with the Chairman of the Board and the Chief Executive Officer on matters relating to corporate governance and the performance of the Board of Directors; and facilitating teamwork and communication between the non-employee directors and management.

## **Director and Officer Hedging and Pledging**

We have a policy prohibiting directors and officers from purchasing financial instruments (including prepaid forward contracts, equity swaps, collars, and exchange funds) designed to hedge or offset decreases in the market value of compensatory awards of our equity securities directly or indirectly held by them. Additionally, we have a policy prohibiting directors and officers from pledging of shares.

## **Stock Ownership Guidelines**

Our Board of Directors believes that the alignment of directors' interests with those of our shareholders is strengthened when board members are also shareholders. Therefore, our Board of Directors has adopted minimum stock ownership guidelines under which non-employee directors are expected to acquire shares of our company's common stock with a value at least equal to the annual retainer paid for serving on the board. Non-employee directors are expected to satisfy at least the minimum guidelines beginning on the later of five years following (i) the date the guidelines were adopted (December 9, 2011) or (ii) the date the individual becomes a non-employee director. This program is designed to ensure that directors acquire a meaningful ownership interest in our company during their tenure on the board. We expect that all of our non-employee directors will at least comply with these minimum guidelines within the time period described above.

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### **Compensation Committee Interlocks and Insider Participation**

During the fiscal year ended September 30, 2015, our Compensation Committee consisted of Messrs. Moore, Oglesby, Watters, and Woodman. None of these individuals had any contractual or other relationships with us during their terms as directors during the fiscal year except as directors.

### **Board and Committee Meetings**

Our Board of Directors held a total of nine meetings during the fiscal year ended September 30, 2015. Other than Mr. Woodman, no director attended fewer than 75% of the aggregate of (i) the total number of meetings of the Board of Directors; and (ii) the total number of meetings held by all committees of the Board of Directors on which such director was a member.

During the fiscal year ended September 30, 2015, the Audit Committee held nine meetings; the Compensation Committee held five meetings; and the Nominating/Corporate Governance Committee held seven meetings.

### **Annual Meeting Attendance**

We encourage our directors to attend each annual meeting of shareholders. To that end, and to the extent reasonably practical, we generally schedule a meeting of our Board of Directors on the same day as our annual meeting of shareholders. All of our directors attended our annual meeting of shareholders last year.

### **Communications with Directors**

Interested parties may communicate with our Board of Directors or specific members of our Board of Directors, including our independent directors and the members of our various board committees, by submitting a letter addressed to the Board of Directors of MarineMax, Inc. at the address listed herein c/o any specified individual director or directors. Any such letters are forwarded to the relevant directors.

## **COMPENSATION DISCUSSION AND ANALYSIS**

### **Overview and Philosophy**

Our Board of Directors has appointed a Compensation Committee, consisting solely of independent members of the Board of Directors, to review and approve corporate goals and objectives relevant to the compensation of our Chief Executive Officer, evaluate the performance of our Chief Executive Officer in light of those goals and objectives, and determine or recommend to the Board of Directors the compensation of our Chief Executive Officer based on this evaluation. The Compensation Committee also recommends to the Board of Directors, or as directed by the Board of Directors determines and approves, the compensation of our other executive officers. The Compensation Committee makes every effort to ensure that the compensation plan is consistent with our values and is aligned with our business strategy and goals as they exist from time to time.

Our compensation program for executive officers consists primarily of base salaries, cash incentive bonuses, cash discretionary bonuses, and long-term incentives in the form of stock-based awards, which may include time-based or performance-based stock options, shares of restricted common stock, restricted stock units, or RSUs, or a combination thereof. Executives also participate in various other benefit plans, including medical and retirement plans that generally are available to all of our employees. We consider each element of compensation collectively with other elements of compensation when establishing the various forms, elements, and levels of compensation.

Our philosophy is to pay reasonable base salaries to executives at levels that help us to attract, motivate, and retain highly qualified executives. Our executive base salaries are generally at or below those of our peer companies taking into account the possibility of the receipt by our executives of cash performance-based incentive bonuses. Cash incentive bonuses are designed to reward individuals for performance based on certain aspects of our company's financial results as well as the achievement of personal and corporate objectives

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designed to contribute to our long-term success in building shareholder value. Grants of stock-based awards are intended to result in limited rewards if the price of our common stock does not appreciate, but may provide substantial rewards to executives as our shareholders in general benefit from stock price appreciation. Grants of stock-based awards also are intended to align compensation with the price performance of our common stock. Total compensation levels reflect corporate positions, responsibilities, and achievement of goals. As a result of our performance-based philosophy to compensation, compensation levels may vary significantly from year to year and among our various executive officers. In general, we expect the compensation level of our Chief Executive Officer will be higher than that of our other executive officers assuming relatively equal achievement of performance targets.

We believe that the overall compensation levels for our executive officers, including our named executive officers, are in alignment with our pay-for-performance philosophy and have been consistent with our performance. At our 2015 Annual Meeting of Shareholders, our shareholders overwhelmingly approved, on an advisory basis, the compensation of our named executive officers described in our proxy statement related to our 2015 Annual Meeting of Shareholders. Holders of approximately 21.6 million of our outstanding shares voted for such advisory say-on-pay proposal, representing approximately 98% of the votes cast on the say-on-pay proposal. Our Compensation Committee and our Board of Directors considered these final vote results and determined that, given the significant level of support, no material changes to our executive compensation philosophy, policies, and practices were necessary based on such vote results.

### **Role of the Compensation Committee and Chief Executive Officer**

At the request of our Compensation Committee, our Chief Executive Officer generally attends a portion of our Compensation Committee meetings, including meetings at which our compensation consultants may be present. This enables our Compensation Committee to review with our Chief Executive Officer the corporate and individual goals that he regards as important to achieve our overall goals. Our Compensation Committee also requests our Chief Executive Officer to assess the performance of, and our goals and objectives for, the other executives. Although the participation of the Chief Executive Officer could influence goals, performance targets, and objectives, including his own, the Compensation Committee rather than our Chief Executive Officer makes all final determinations or board recommendations regarding setting individual and corporate goals, targets, objectives, and performance against such goals and targets.

The Compensation Committee reviews and approves or recommends to our Board of Directors the compensation of our Chief Executive Officer and our other executive officers. Annually, our Compensation Committee evaluates the performance of our Chief Executive Officer and approves or recommends to our Board of Directors the compensation of our Chief Executive Officer in light of the goals and objectives of our compensation program for that year. Our Compensation Committee together with our Chief Executive Officer annually assesses the performance of our other executive officers. Based on recommendations from our Chief Executive Officer and the determinations of our Compensation Committee, our Compensation Committee approves or makes recommendations to our Board of Directors regarding the compensation of our other executive officers.

### **Compensation Surveys and Compensation Consultants**

In determining compensation levels, we periodically review compensation levels of companies that we deem to be similar to our company, competitive factors to enable us to attract executives from other companies, and compensation levels that we deem appropriate to retain and motivate our executives. We use peer group information as a point of reference, but do not benchmark or target our compensation levels against our peer group.

From time to time, we retain the services of independent compensation consultants to review a wide variety of factors relevant to executive compensation, trends in executive compensation, and the identification of relevant peer companies. The Compensation Committee makes all determinations regarding the engagement, fees, and services of our compensation consultants; our compensation consultants report directly to our Compensation Committee; and our compensation consultants do not perform any other services for our company.

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### **Base Salary**

We set base salaries at a level we believe to be sufficient to attract, retain, and motivate our executives taking into account the fact that our executives have the opportunity to receive significant incentive compensation if they are able to achieve performance goals set from time to time. Base salaries for executive officers are established based on an executive's position, responsibilities, skills, and experience. In determining base compensation, we also take into account individual performance and contributions, future potential, competitive salary levels for comparable positions at other companies, salary levels relative to other positions within our company, and corporate needs. The Compensation Committee's evaluation of the foregoing factors is subjective, and the Compensation Committee does not assign a particular weight to any factor. Based upon peer group compensation information secured by the Compensation Committee, our base salaries tend to be lower than those of our peer companies that, in our opinion, do not place as much emphasis as we do on paying for performance.

### **Cash Incentive Compensation**

Cash incentive compensation represents an important component of our overall executive compensation. Our cash incentive compensation is intended to reflect our pay-for-performance philosophy. We establish objective performance criteria when setting performance goals for the cash incentive compensation program for a particular year. The performance criteria may include a wide range of factors, including pretax income for our consolidated company or on a regional basis, customer satisfaction index, specific performance metrics, stock price performance, achievement of targeted results for various company operations, expense management, market share, inventory management, earnings before interest, taxes, depreciation, and amortization, operating margin, working capital, cash, cash management, and debt-to-equity ratio. The performance criteria vary on a year-to-year and executive-by-executive basis depending on the goals then deemed important for our company as a whole and for the particular executive officer and may be established for all or a portion of a year or for multiple years. We attempt to set each of our performance goals at a level that can be realistically achieved, but at a level that is challenging and consistent with achieving the desired corporate goal and furthering shareholder interests. In establishing performance goals, our Compensation Committee also may take into consideration prevailing as well as expected future economic conditions affecting our company's business and industry. Our Compensation Committee, following its review of the mathematical computations prepared by our company and the corresponding report thereon from our internal audit department, determined that our executive officers satisfied 83% of their performance goals for fiscal 2013, 67% of their performance goals for fiscal 2014, and 86% of their performance goals for fiscal 2015.

### **Grants of Stock-Based Awards**

We strongly believe in utilizing our common stock to tie executive rewards directly to our long-term success and increases in shareholder value. Grants of stock-based awards to our executive officers enable those executives to benefit from a significant position in our common stock. We have no ongoing policy for allocating among different types of stock-based awards. Therefore, we maintain the flexibility to grant each type of stock-based award. Among other factors, the amount and type of stock-based awards granted takes into account stock-based awards previously granted to an individual. Stock based compensation typically vests over a period of years to encourage executive retention and emphasize long-term performance and may also include specific performance metrics to be earned. Our Board of Directors grants stock-based awards at regularly scheduled meetings of the board after reviewing allocations recommended by the Compensation Committee following advice from the committee's compensation consultants, an analysis of peer companies, specific goals to be achieved, and a wide range of other factors. See Executive Compensation Summary Compensation Table.

### **Other Benefits**

Executive officers are eligible to participate in benefit programs designed for all of our full-time employees. These programs include medical insurance, a qualified retirement program allowed under Section 401(k) of the Internal Revenue Code, and life insurance coverage.

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### **Deductibility of Executive Compensation**

We take into account the tax effect of our compensation. Section 162(m) of the Internal Revenue Code currently limits the deductibility for federal income tax purposes of compensation in excess of \$1.0 million paid to each of any publicly held corporation's chief executive officer and four other most highly compensated executive officers. We may deduct certain types of compensation paid to any of these individuals only to the extent that such compensation during any fiscal year does not exceed \$1.0 million. Qualifying performance-based compensation is not subject to the deduction limits if certain requirements are met. We currently intend to structure the performance-based portion of the compensation of our executive officers in a manner that complies with Section 162(m), including such awards granted pursuant to our 2011 Stock-Based Compensation Plan and Incentive Compensation Program.

### **Accounting Considerations**

We account for stock-based awards in accordance with the provisions of Financial Accounting Standards Board, or FASB, Accounting Standards Codification, or ASC, Topic 718 Compensation—Stock Compensation (ASC 718). In determining stock-based awards, we consider the potential expense of those grants under ASC 718 and the impact on our earnings per share.

### **Policies for the Pricing and Timing of Stock-Based Grants**

We set the price of all stock-based awards at the closing price of our stock on the New York Stock Exchange on the date of grant. We grant the stock-based compensation at regularly scheduled meetings each year. In the case of new hires, we generally grant stock-based awards on start dates, which are determined by the date the employee reports for service.

### **Employment Agreements**

Each of Messrs. McGill and McLamb is a party to an employment agreement with us, which provides for designated base salaries plus incentive compensation based on the performance of our company and the employees as determined by our Board of Directors. Each of the employment agreements provides for benefits in the event of certain changes in control of our company. These arrangements have no effect on our compensation arrangements absent a change in control. See Executive Compensation—Employment Agreements.

### **Fiscal 2015 Compensation**

#### ***Summary***

We worked with our executive compensation consultants in connection with our fiscal 2015 incentive compensation program to maintain our long-standing pay-for-performance philosophy. Our base salaries for our named executive officers for fiscal 2015 generally were at the 50th percentile level or lower for our peer companies (those used for purposes of determining fiscal 2015 compensation are listed below). Our base salaries for the named executive officers increased a total of 15% from fiscal 2014 levels. We increased the base salary of our named executive officers to be a more competitive salary in relation to our peer companies. Overall cash compensation for our named executive officers increased 40% from fiscal 2014 levels. Stock-based compensation for our named executive officers increased 69% from fiscal 2014. These increases were largely the result of our company's and individual performances that exceeded fiscal 2015 targets and therefore caused an increase in performance-based compensation as compared to fiscal 2014.

#### ***Compensation Consultants***

We engaged Mezrah Consulting to assist us in connection with our fiscal 2015 incentive compensation program. Mezrah Consulting also assisted us in determining an appropriate group of peer companies. As a result of the absence of comparable direct competitors, the peer group was drawn from specialty retail companies. These peer companies, for purposes of determining fiscal 2015 compensation, are as follows: America's Car-Mart, Arctic Cat, Bassett Furniture Industries, Big 5 Sporting Goods, Blue Nile, Callaway Golf, Citi Trends, Destination XL Group, Haverty Furniture Companies, Hibbet Sports, Johnson Outdoors, Kirkland's, Movado Group, Nautilus, Twin Disc, West Marine, Winnebago Industries, and Zumiez.

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### ***Base Salaries***

Our named executive officers received base compensation for fiscal 2015 in accordance with their respective fiscal 2014 compensation plans as recommended by the Compensation Committee and approved by the Board of Directors. We increased the base salaries of Messrs. McGill, McLamb, W. Brett McGill, Cashman, and Ms. Day by \$25,000, \$7,500, \$80,000, \$80,000, and \$40,000, respectively. In accordance with our pay-for-performance philosophy, our base compensation levels for our named executive officers for fiscal 2015 were generally at or below those of our peer companies.

### ***Incentive Compensation***

For fiscal 2015, we established individual cash compensation plans for Messrs. McGill, McLamb, W. Brett McGill, Cashman, and Ms. Day.

The cash compensation plans had targeted incentive cash compensation of 100%, 65%, 30%, 30%, and 25% of base salaries for Mr. McGill, Mr. McLamb, Mr. W. Brett McGill, Mr. Cashman, and Ms. Day, respectively. These plans had two primary elements: the first element was a target bonus amount based on the level of adjusted net income achieved and the second element was based on the achievement of individual performance objectives.

Under the first element, our adjusted net income, which equals our net income plus stock-based compensation and excludes unusual items, was targeted at \$18.0 million. For every dollar above the targeted \$18.0 million, 10% went into a bonus pool to be distributed ratably. The payouts from this bonus pool to the individuals was determined by the amount of cash compensation each received during the fiscal year relative to the sum of all cash compensation for all officers. As our adjusted net income was \$23.8 million the bonus pool was 10% of \$5.8 million, or \$580,000. This bonus pool was then split among Mr. McGill, Mr. McLamb, Mr. W. Brett McGill, Mr. Cashman and Ms. Day as follows: 33% of the bonus pool (or \$191,000) went to Mr. McGill; 16% of the bonus pool (or \$93,000) went to Mr. McLamb, 16% of the bonus pool (or \$93,000) went to Mr. W. Brett McGill, 15% of the bonus pool (or \$87,000) went to Mr. Cashman, 12% of the bonus pool (or \$70,000) went to Ms. Day, and the remainder of the bonus pool went to other executive officers.

Under the second element, each individual performance objective bonus could be earned as long as at least 75% of the objective was achieved. For achievement above 75%, the earned amount was adjusted proportionately. We have not disclosed below the quantitative individual performance objectives for this second element of the performance objective bonus because we believe that such disclosure would cause us competitive harm. At the time of setting these individual performance objectives, the Compensation Committee believed that achieving these objectives would be challenging. This belief ended up being accurate as demonstrated by the achievement of some, but not all, of the objectives (as disclosed in further detail below).

The individual performance objectives for Mr. McGill consisted of achieving an inventory aging target; a leverage target; a selling, general, and administrative expense target; pretax targets for our company's charter initiative; a customer satisfaction target; and a net income plus stock based compensation target; weighted 30%, 15%, 15%, 10%, 10%, and 20%, respectively, and each measured semi-annually. Mr. McLamb's individual performance objectives consisted of achieving an inventory aging target; a leverage target; a selling, general, and administrative expense target; pretax targets for our company's charter initiative; a customer satisfaction target; a net income plus stock based compensation target; and an interest expense target; weighted 30%, 15%, 20%, 5%, 5%, 20%, and 5%, respectively, and each measured semi-annually. The individual performance objectives for Ms. Day consisted of achieving an inventory aging target; a leverage target; a selling, general, and administrative expense target; a customer satisfaction target; and a net income plus stock based compensation target; weighted 20%, 15%, 15%, 30%, and 20%, respectively, and each measured semi-annually.

The plan for both Mr. W. Brett McGill and Mr. Cashman is based upon each achieving individual performance objectives and provided for cash bonus compensation paid monthly based on the pretax earnings derived from the territory that each manages. Based on these pretax earnings each could receive a pretax bonus of 1.5% for every dollar of the pretax earnings measured monthly. The individual performance objectives for Mr. W. Brett McGill and Mr. Cashman consisted of achieving an inventory aging target; a customer satisfaction target specific to the territory each manages; and a net income plus stock based compensation target specific to

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the territory each manages; weighted 50%, 30%, and 20%, respectively, and each measured semi-annually. The total cash payouts that would exceed \$500,000 for Mr. W. Brett McGill and Mr. Cashman would take the form of time-based RSUs with a three year cliff vesting term. The RSUs are determined by taking 50% of each respective cash payout exceeding \$500,000 and dividing that amount by the closing stock price as of September 30, 2015.

For each of our named executive officers the following individual performance objectives were satisfied as follows: the inventory aging target was satisfied for both the first and second half of fiscal 2015; the leverage target was satisfied for both the first and second half of fiscal 2015; the selling, general, and administrative expense target was satisfied for both the first and second half of fiscal 2015; the pretax targets for our company's charter initiative was satisfied for the first half of fiscal 2015 and was not satisfied the second half of fiscal 2015; the customer satisfaction target was satisfied for both the first and second half of fiscal 2015; the net income plus stock based compensation target was not satisfied for the first half of 2015 and was satisfied for the second half of fiscal 2015 for each named executive officer except for Mr. Cashman; and the interest expense target was satisfied for both the first and second half of fiscal 2015. Therefore, each of our named executive officers received cash bonuses based on these performance objectives that were achieved. The performance objective targets that were not satisfied were missed by greater than 75%. Mr. W. Brett McGill and Mr. Cashman did earn cash compensation that exceeded \$500,000 and as such were awarded RSUs for 50% of each of their respective cash payouts exceeding \$500,000. Mr. W. Brett McGill received RSU compensation totaling \$77,000 and Mr. Cashman received RSU compensation totaling \$19,000.

***Stock-Based Awards***

For fiscal 2015, our stock-based incentive compensation grants for our named executive officers took the form of time based and performance based RSUs, weighted 40% and 60%, respectively. The time based RSUs vest in three equal, annual installments over a three year period beginning on the date of grant. The performance based RSUs are earned annually over a three year period beginning on the date of grant based upon achieving certain inventory aging and leverage targets for each fiscal year and vest one year after earned. Our Board of Directors granted time based RSUs to the following named executive officers: 16,000 to Mr. McGill; 8,000 to Mr. McLamb; 5,000 to Mr. W. Brett McGill; 5,000 to Mr. Cashman; and 4,400 to Ms. Day. In addition, our Board of Directors granted performance based RSUs to the following named executive officers: 24,000 to Mr. McGill; 12,000 to Mr. McLamb; 7,500 to Mr. W. Brett McGill; 7,500 to Mr. Cashman; and 6,600 to Ms. Day. These amounts are the target amount of shares that may be earned under these performance based RSU awards, and the actual amount earned could range from 0% to 150% of the target number of shares.

***CEO Compensation***

For fiscal 2015, the Compensation Committee evaluated the factors described above in recommending the base salary and incentive compensation of William H. McGill Jr., our Chairman, President, and Chief Executive Officer. See Executive Compensation Employment Agreements.

***Section 162(m)***

Our compensation arrangements with any of our executive officers did not exceed the limits on deductibility under Section 162(m) during our fiscal year ended September 30, 2015.

**Table of Contents****EXECUTIVE COMPENSATION****Summary of Cash and Other Compensation**

The following table sets forth, for the fiscal years ended September 30, 2013, September 30, 2014, and September 30, 2015, information regarding compensation for services in all capacities to us and our subsidiaries received by our Chief Executive Officer, our Chief Financial Officer, and our three other most highly compensated executive officers whose aggregate cash compensation exceeded \$100,000.

**SUMMARY COMPENSATION TABLE**

Name and Principal Position	Year	Salary(1)	Bonus(2)	Stock Awards(3)	Option Awards(4)	Non-Equity	All Other	Total(7)
						Incentive Plan Compensation(5)		
William H. McGill Jr. Chairman of the Board, President and Chief Executive Officer	2015	\$ 575,000	\$ 0	\$ 769,600	\$ 0	\$ 724,979	\$ 3,133	\$ 2,072,712
	2014	\$ 550,000	\$ 0	\$ 0	\$ 455,603	\$ 342,040	\$ 3,125	\$ 1,350,768
	2013	\$ 520,000	\$ 0	\$ 0	\$ 420,767	\$ 340,651	\$ 3,125	\$ 1,284,543
Michael H. McLamb Executive Vice President, Chief Financial Officer, and Secretary	2015	\$ 322,500	\$ 0	\$ 384,800	\$ 0	\$ 289,265	\$ 3,133	\$ 999,698
	2014	\$ 315,000	\$ 0	\$ 0	\$ 227,801	\$ 145,565	\$ 3,125	\$ 691,491
	2013	\$ 315,000	\$ 0	\$ 0	\$ 210,384	\$ 133,153	\$ 3,125	\$ 661,662
Charles A. Cashman Executive Vice President Sales, Marketing, and Manufacturer Relations(8)	2015	\$ 280,000	\$ 0	\$ 240,500	\$ 0	\$ 220,615	\$ 4,060	\$ 745,175
	2014	\$ 200,000	\$ 50,000	\$ 0	\$ 142,376	\$ 73,911	\$ 2,377	\$ 468,664
	2013	\$ 175,000	\$ 0	\$ 0	\$ 131,490	\$ 246,500	\$ 3,125	\$ 556,115
W. Brett McGill Executive Vice President Operations(9)	2015	\$ 280,000	\$ 0	\$ 240,500	\$ 0	\$ 220,000	\$ 2,061	\$ 742,561
	2014	\$ 200,000	\$ 30,000	\$ 0	\$ 142,376	\$ 147,367	\$ 0	\$ 519,743
	2013	\$ 175,000	\$ 0	\$ 0	\$ 131,490	\$ 245,407	\$ 0	\$ 551,897
Paulee C. Day Executive Vice President, Chief Legal Officer, and Assistant Secretary(10)	2015	\$ 300,000	\$ 0	\$ 211,640	\$ 0	\$ 141,366	\$ 3,279	\$ 656,285
	2014	\$ 260,000	\$ 0	\$ 0	\$ 125,291	\$ 76,976	\$ 2,205	\$ 464,472
	2013	\$	\$	\$	\$	\$	\$	\$

- (1) The base salaries set forth in this column reflect any base salary adjustments for all of our 2013, 2014, and 2015 fiscal years for each of the named executive officers.
- (2) Discretionary bonuses were paid to Mr. W. Brett McGill and Mr. Cashman in 2014.
- (3) The amounts shown in this column represent the grant date fair value of RSU awards determined in accordance with FASB ASC Topic 718 Compensation Stock Compensation, ( ASC 718 ) excluding the effects of forfeitures. We determine the grant date fair value of each RSU award using the closing price of our common stock on the date of grant and recognize the compensation expense over the vesting period. Each named executive officer forfeits the unvested portion, if any, of the officer's RSUs if the officer's service to our company is terminated for any reason, except as may otherwise be determined by the Board of Directors or as provided in an employment agreement. For further information on these awards, see the Grants of Plan-Based Awards table of this proxy statement. Mr. W. Brett McGill and Mr. Cashman received compensation in the form of RSU grants with grant date fair value totaling \$77,000 and \$19,000, respectively, in accordance with their fiscal 2015 compensation plans that is excluded from the table above as the RSUs were granted in fiscal 2016. For the performance based RSUs in this column, assuming that the highest level of performance conditions will be achieved (150% maximum) the grant date fair value for each named executive officer would be as follows:

Name	Maximum Achievement Value
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		(\$)
William H. McGill Jr.	\$	692,640
Michael H. McLamb	\$	346,320
Charles A. Cashman	\$	216,450
W. Brett McGill	\$	216,450
Paulee C. Day	\$	190,476

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- (4) The amounts shown in this column reflect the grant date fair value of stock option awards determined in accordance with ASC 718, excluding the effects of forfeitures. The assumptions used in determining the grant date fair value of stock option awards are set forth in the notes to our consolidated financial statements, which are included in our Annual Report on Form 10-K filed with the SEC for the fiscal year ended September 30, 2015. We estimated the grant date fair value of each stock option award on the date of grant using the Black-Scholes option pricing model and recognize the compensation expense over the vesting period. See Note 11 to the Consolidated Financial Statements in our Form 10-K for the year ended September 30, 2015 for a discussion of the relevant assumptions used in determining the grant date fair value of our stock option awards pursuant to ASC 718. Each named executive officer forfeits the unvested portion, if any, of the officer's stock options if the officer's service to our company is terminated for any reason, except as may otherwise be determined by the Board of Directors or as provided in an employment agreement. For further information on these awards, see the Grants of Plan-Based Awards table of this proxy statement.
- (5) The amounts shown in this column constitute payments made under our fiscal 2013, fiscal 2014, and fiscal 2015 executive incentive bonus program. See Compensation Discussion and Analysis for more information regarding our fiscal 2015 incentive compensation program.
- (6) Represents amounts paid to each named executive officer for the employer matching portion of our 401(k) plan.
- (7) The dollar value in this column for each named executive officer represents the sum of all compensation reflected in the previous columns.
- (8) Mr. Cashman's position during fiscal 2015 was Vice President of East Operations. He was promoted to Executive Vice President Sales, Marketing and Manufacturer Relations effective October 1, 2015.
- (9) Mr. W. Brett McGill's position during fiscal 2015 was Vice President of West Operations. He was promoted to Executive Vice President Operations effective October 1, 2015.
- (10) Ms. Day's position during fiscal 2015 was Vice President, General Counsel, and Assistant Secretary. She was promoted to Executive Vice President, Chief Legal Officer, and Assistant Secretary effective October 1, 2015. Ms. Day's fiscal 2013 compensation is not shown as she was not a named executive officer in fiscal 2013.

**Grants of Plan-Based Awards**

The following table sets forth certain information with respect to grants of plan-based awards to the named executive officers for the fiscal year ended September 30, 2015.

**GRANTS OF PLAN-BASED AWARDS**

Name	Grant Date	Estimated Future Payouts Under Non-Equity Incentive Plan Awards(1)			Type	Estimated Future Payouts Under Equity Incentive Plan Awards(2)			All Other Stock Awards: Number of Shares of Stock or Units (#)	Grant Date Fair Value of Stock and Option Awards(4)
		Threshold (\$)	Target (\$)	Maximum (\$)		Threshold (\$)	Target (#)	Maximum (#)		
William H. McGill Jr.	11/15/14	\$ 0	\$ 287,500	N/A	PBRSU	24,000	36,000	16,000	\$ 461,760	

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Michael H. McLamb	11/15/14	\$ 0	\$ 104,813	N/A	TBRSU				\$ 307,840
					PBRSU	12,000	18,000		\$ 230,880
Charles A. Cashman	11/15/14	\$ 0	\$ 42,000	N/A	TBRSU			8,000	\$ 153,920
					PBRSU	7,500	11,250		\$ 144,300
W. Brett McGill	11/15/14	\$ 0	\$ 42,000	N/A	TBRSU			5,000	\$ 96,200
					PBRSU	7,500	11,250		\$ 144,300
Paulee C. Day	11/15/14	\$ 0	\$ 37,500	N/A	TBRSU			5,000	\$ 96,200
					PBRSU	6,600	9,900		\$ 126,984
					TBRSU			4,400	\$ 84,656

(1) Represents potential threshold, target, and maximum performance-based compensation under our fiscal 2015 incentive compensation program. As noted in our 2011 Stock-Based Compensation Plan, the maximum amount that may be

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payable to any one participant as a performance award (payable in cash) is \$5,000,000 per calendar year. The maximum related to the adjusted net income bonus for Messrs. McGill, McLamb, Cashman, W. Brett McGill, and Ms. Day can be increased by their share of the bonus pool which is equal to 10% of the adjusted net income above \$18.0 million. Actual payments are reflected in the Summary Compensation table, and there are no future payouts related to these awards. Our fiscal 2015 executive incentive compensation program is discussed under Compensation Discussion and Analysis Fiscal 2015 Compensation Incentive Compensation.

- (2) The Estimated Future Payouts Under Equity Incentive Plan Awards column shows the range of shares that may be earned in respect of performance based RSUs granted in fiscal 2015. For additional information related to the performance period, performance measures and targets, see Compensation Discussion and Analysis.
- (3) The type of award refers to awards vesting criteria and related terms. PBRSU refers to performance based RSU awards. TBRSU refers to time based RSU awards.
- (4) The amounts shown in this column represent the grant date fair value for RSU awards granted to our named executive officers during the covered year calculated in accordance with ASC 718, excluding the effects of forfeitures. The assumptions used in determining the grant date fair value of these awards are set forth in the notes to our consolidated financial statements, which are included in our Annual Report on Form 10-K filed with the SEC for the fiscal year ended September 30, 2015. There were no forfeitures during fiscal 2015. We calculated the estimated value of each award based on the closing stock price of our common stock on the date of grant.

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The following table sets forth information with respect to outstanding equity-based awards held by our named executive officers at September 30, 2015.

**OUTSTANDING EQUITY AWARDS AT FISCAL YEAR-END**

Name	Grant Date	Option Awards				Stock Awards			
		Number of Securities Underlying Unexercised Options(1)(2)	Equity Incentive Plan Awards: Number of Securities Underlying Unexercised Options	Option Exercise Price	Option Expiration Date	Number of Shares or Units of Stock That Have Not Vested	Market Value of Units of Stock That Have Not Vested(3)	Equity Incentive Plan Awards: Number of Shares, Units or Rights That Have Not Vested(4)	Equity Incentive Plan Awards: Market or Payout Value of Unearned Shares, Units or Other Rights That Have Not Vested(3)
William H. McGill Jr.	11/15/2014							16,000	\$ 226,080
	11/15/2014							24,000	\$ 339,120
	11/7/2013		80,000	\$ 15.80	11/7/2023				
	11/20/2012	75,555	4,445	\$ 7.48	11/20/2022				
	11/18/2011	70,000		\$ 6.10	11/18/2021				
	11/18/2010	58,000		\$ 7.54	11/18/2020				
Michael H. McLamb	11/20/2008	23,590		\$ 2.81	11/20/2018				
	11/15/2014							8,000	\$ 113,040
	11/15/2014							12,000	\$ 169,560
	11/7/2013		40,000	\$ 15.80	11/7/2023				
	11/20/2012	37,777	2,223	\$ 7.48	11/20/2022				
	11/18/2011	35,000		\$ 6.10	11/18/2021				
Charles A. Cashman	11/18/2010	29,000		\$ 7.54	11/18/2020				
	12/08/2009	24,000		\$ 7.00	12/08/2019				
	11/20/2008	5,000		2.81	11/20/2018				
	11/15/2014							5,000	\$ 70,650
W. Brett McGill	11/15/2014							7,500	\$ 105,975
	11/7/2013		25,000	\$ 15.80	11/7/2023				
	11/20/2012	5,556	1,389	\$ 7.48	11/20/2022				
Paulee C. Day	11/15/2014							5,000	\$ 70,650
	11/15/2014							7,500	\$ 105,975
	11/7/2013		25,000	\$ 15.80	11/7/2023				
Paulee C. Day	11/20/2012	13,611	1,389	\$ 7.48	11/20/2022				
	11/15/2014							4,400	\$ 62,172
	11/15/2014							6,600	\$ 93,258
	11/7/2013		22,000	\$ 15.80	11/7/2023				
	11/20/2012	16,527	973	\$ 7.48	11/20/2022				
Paulee C. Day	11/18/2011	3,150		\$ 6.10	11/18/2021				
	02/10/2011	5,000		\$ 9.13	02/10/2021				

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- (1) The stock options granted prior to November 7, 2013 have 10-year option terms and vest at 1/36 per month beginning on the applicable grant date. Stock options granted on or after November 7, 2013 have 10-year option terms and cliff vest after three years.
- (2) The stock options granted to Messrs. McGill and McLamb in the amounts of 35,000 and 17,500, respectively, that are fully exercisable with a grant date of November 20, 2008 are performance based related to inventory management and were deemed earned during 2012. As of September 30, 2015 Messrs. McGill and McLamb had 23,590 and 5,000 of these awards outstanding as exercisable, respectively.
- (3) The market value of shares or units of stock that have not vested as reported in the table above is determined by multiplying the closing market price of our common stock on the last trading day of our last completed fiscal year of \$14.13 by the number of shares or units of stock that have not vested.

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- (4) Represents time based and performance based RSUs. The time based RSUs vest in three equal, annual installments over a three year period beginning on the date of grant. The performance based RSUs are earned annually over a three year period beginning on the date of grant based upon achieving certain inventory aging and leverage targets for each fiscal year and vest one year after earned.

**Option Exercises and Stock Vested**

The following table describes, for the named executive officers, the number of shares acquired on the exercise of options and vesting of stock awards and the value realized on exercise of options and vesting of stock awards during fiscal 2015.

**OPTION EXERCISES AND STOCK VESTING**

Name	Option Awards		Stock Awards	
	Number of Shares Acquired on Exercise	Value Realized on Exercise	Number of Shares Acquired on Vesting	Value Realized on Vesting
William H. McGill Jr.	150,010	\$ 2,968,701		
Michael H. McLamb	37,500	\$ 861,700		
Charles A. Cashman	35,555	\$ 629,370		
W. Brett McGill	16,945	\$ 299,606		
Paulee C. Day	17,350	\$ 336,133		

For option awards, the value realized is computed as the difference between the market price on the date of exercise and the exercise price times the number of options exercised. For stock awards, the value realized is computed as the market price on the later of the date the restrictions lapse or the delivery date times the number of shares vested.

**Pension Benefits and Nonqualified Deferred Compensation**

We do not offer a pension plan to any of our employees. We do not offer a nonqualified deferred compensation plan to any of our employees. Employees meeting certain requirements may participate in our 401(k) plan.

**2007 Incentive Compensation Plan**

Our 2007 Incentive Compensation Plan, or the 2007 Plan, was designed to attract, motivate, retain, and reward our executives, employees, officers, directors, and independent contractors by providing such persons with annual and long-term performance incentives to expend their maximum efforts in the creation of shareholder value. The terms of the 2007 Plan provided for the grant of stock options, stock appreciation rights, restricted stock, stock units, bonus stock, dividend equivalents, other stock related awards, and performance awards that may be settled in cash, stock, or other property. Upon the approval by our shareholders of our 2011 Stock-Based Compensation Plan in January 2011, we ceased making new grants under the 2007 Plan.

**2011 Stock-Based Compensation Plan**

Our 2011 Stock-Based Compensation Plan, or the 2011 Plan, was adopted by our Board of Directors in November 2010 and approved by our shareholders in January 2011. During February 2013, our shareholders approved a proposal to amend the 2011 Plan to increase the 1,200,456 share threshold by 1,000,000 shares to 2,200,456 shares. The 2011 Plan is designed to attract, motivate, retain, and reward our executives, employees, officers, directors, and independent contractors by providing such persons with annual and long-term performance incentives to expend their maximum efforts in the creation of shareholder value.

The terms of the 2011 Plan provide for the grant of stock options, stock appreciation rights, restricted stock, stock units, bonus stock, dividend equivalents, other stock related awards, and performance awards that may be settled in cash, stock, or other property.

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Subsequent to the February 2013 amendment described above, the total number of shares of our common stock that may be subject to awards under the 2011 Plan is equal to 2,000,000 shares, plus: (i) any shares available for issuance and not subject to an award under the 2007 Plan, which was 200,456 shares at the time of approval of the 2011 Plan; (ii) the number of shares with respect to which awards granted under the 2011 Plan and the 2007 Plan terminate without the issuance of the shares or where the shares are forfeited or repurchased; (iii) with respect to awards granted under the 2011 Plan and the 2007 Plan, the number of shares that are not issued as a result of the award being settled for cash or otherwise not issued in connection with the exercise or payment of the award; and (iv) the number of shares that are surrendered or withheld in payment of the exercise price of any award or any tax withholding requirements in connection with any award granted under the 2011 Plan and the 2007 Plan. As of September 30, 2015, there were 1,050,523 shares of common stock available for issuance under the 2011 Plan.

The 2011 Plan imposes individual limitations on certain awards, in part to comply with Section 162(m) of the Internal Revenue Code of 1986. Under these limitations, no more than 50% of the total number of shares of our common stock reserved for issuance under the 2011 Plan may be granted to an individual during any fiscal year pursuant to awards granted under the 2011 Plan. The maximum amount that may be payable to any one participant as a performance award (payable in cash) is \$5,000,000 per calendar year.

No outstanding options may be repriced without shareholder approval (that is, we cannot amend an outstanding option to lower the exercise price or exchange an outstanding option for a new option with a lower exercise price). In addition, the 2011 Plan prohibits us from exchanging an outstanding option with an exercise above the then current fair market value of our common stock for cash, other awards, or other property.

In the event that a stock dividend, forward or reverse split, merger, consolidation, combination, or other similar corporate transaction or event affects our common stock, then the plan administrator will substitute, exchange, or adjust any or all of the following in a manner that precludes the enlargement or dilution of rights and benefits: (1) the kind and number of shares available under the 2011 Plan; (2) the kind and number of shares subject to limitations on awards described in the preceding paragraph; (3) the kind and number of shares subject to all outstanding awards; (4) the exercise price, grant price, or purchase price relating to any award; and (5) any other affected terms of awards.

In the event that a dividend or other distribution (whether in cash or other property, but excluding a stock dividend), recapitalization, reorganization, spin-off, repurchase, share exchange, liquidation, dissolution, or other similar corporate transaction or event affects our common stock or our other securities or the securities of any other issuer, so that an adjustment, substitution, or exchange is determined to be appropriate by the plan administrator, then the plan administrator is authorized to adjust any or all of the following as the plan administrator deems appropriate: (1) the kind and number of shares available under the 2011 Plan, (2) the kind and number of shares subject to limitations on awards described in the preceding paragraph, (3) the kind and number of shares subject to all outstanding awards: (4) the exercise price, grant price, or purchase price relating to any award, and (5) any other affected terms of awards.

The persons eligible to receive awards under the 2011 Plan consist of officers, directors, employees, and independent contractors. However, incentive stock options may be granted under the 2011 Plan only to our employees, including our officers who are employees.

Our Board of Directors will administer the 2011 Plan unless it delegates administration of the 2011 Plan to one or more committees of our Board of Directors. Together, our Board of Directors and any committee(s) delegated to administer the 2011 Plan are referred to as the plan administrator. If a committee is delegated to administer the 2011 Plan, then the committee members may be non-employee directors as defined by Rule 16b-3 of the Securities Exchange Act, outside directors for purposes of Section 162(m), and independent as defined by the New York Stock Exchange or any other national securities exchange on which any of our securities may be listed for trading in the future. Subject to the terms of the 2011 Plan, the plan administrator is authorized to select eligible persons to receive awards, determine the type and number of awards to be granted and the number of shares of our common stock to which awards will relate, specify times at which awards will be exercisable or may be settled (including performance conditions that may be required as a condition thereof), set



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other terms and conditions of awards, prescribe forms of award agreements, interpret and specify rules and regulations relating to the 2011 Plan, and make all other determinations that may be necessary or advisable for the administration of the 2011 Plan. The plan administrator may amend the terms of outstanding awards, in its discretion. Any amendment that adversely affects the rights of the award recipient, however, must receive the approval of such recipient.

The plan administrator, in its discretion, may accelerate the vesting, exercisability, lapsing of restrictions, or expiration of deferral of any award, including if we undergo a change in control, as defined in the 2011 Plan and all awards shall become fully vested, exercisable and all restrictions shall lapse upon a change in control that is not approved by our Board of Directors. In addition, the plan administrator may provide that the performance goals relating to any performance-based award will be deemed to have been met upon the occurrence of any change in control. The award agreement may provide for the vesting of an award upon a change of control, including vesting if a participant is terminated by us or our successor without cause or terminates for good reason as defined in the 2011 Plan.

To the extent we undergo a corporate transaction (as defined in the 2011 Plan), the 2011 Plan provides that outstanding awards may be assumed, substituted for, or continued in accordance with their terms. If the awards are not assumed, substituted for, or continued, to the extent applicable, such awards will terminate immediately prior to the close of the corporate transaction. The plan administrator may, in its discretion, either cancel the outstanding awards in exchange for a cash payment or vest all or part of the awards contingent on the corporate transaction. With respect to a corporate transaction which is not a change in control, awards under the 2011 Plan must be assumed, continued, or substituted for.

Our Board of Directors may amend, alter, suspend, discontinue, or terminate the 2011 Plan or the plan administrator's authority to grant awards without further shareholder approval, except shareholder approval will be obtained for any amendment or alteration if such approval is deemed necessary or advisable by our Board of Directors or any amendment for which shareholder approval is required by law or the primary stock exchange on which our common stock trades. Unless earlier terminated by our Board of Directors, the 2011 Plan will terminate on the earlier of: (1) ten years after the later of (a) the adoption by our Board of Directors of the 2011 Plan and (b) the approval of an increase in the number of shares reserved under the 2011 Plan by our Board of Directors (contingent upon such increase being approved by our shareholders) or (2) such time as no shares of our common stock remain available for issuance under the 2011 Plan and no further rights or obligations with respect to outstanding awards are outstanding under the 2011 Plan. Amendments to the 2011 Plan or any award require the consent of the affected participant if the amendment has a material adverse effect on the participant.

The 2011 Plan is not intended to be the exclusive means by which we may issue options or warrants to acquire our common stock, stock awards, or any other type of award. To the extent permitted by applicable law and New York Stock Exchange requirements, we may issue any other options, warrants, or awards other than pursuant to the 2011 Plan with or without shareholder approval.

As of September 30, 2015, there were outstanding issued but unexercised options to acquire 1,937,874 shares of our common stock at an average exercise price of \$12.95 per share under the 2007 Plan and the 2011 Plan.

### **Employee Stock Purchase Plan**

Our Board of Directors adopted and our shareholders approved the 2008 Employee Stock Purchase Plan, or 2008 ESPP, in 2008. Our 2008 ESPP is designed to qualify for favorable income tax treatment under Section 423 of the Internal Revenue Code and is intended to offer financial incentives for employees to purchase our common stock. The 2008 ESPP is administered by a committee of the Board of Directors. The 2008 ESPP will remain in effect until December 31, 2018.

We believe that the 2008 ESPP represents an important factor in attracting and retaining executive officers and other key employees and constitutes a significant part of our compensation program. The 2008 ESPP provides such individuals with an opportunity to acquire a proprietary interest in our company and thereby align

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their interests with the interests of our other shareholders and give them an additional incentive to use their best efforts for the long-term success of our company.

The 2008 ESPP permits eligible employees to authorize payroll deductions that will be utilized to purchase shares of our common stock during a series of consecutive offering periods. Employees may purchase shares of common stock pursuant to the 2008 ESPP at a purchase price equal to the lower of (i) 85% of the closing price of our common stock on the first day of the offering period, or (ii) 85% of the closing price of our common stock on the last day of the applicable offering period. Each annual offering may, in the discretion of the Plan Committee, be divided into two six-month offerings commencing on October 1 and April 1, respectively, and terminating six months thereafter (March 31 or September 30, as the case may be).

Subject to adjustment upon changes in capitalization of our company, the number of shares of common stock that may be issued under the 2008 ESPP initially was 552,837, consisting of 500,000 shares under the 2008 ESPP plus 52,837 shares that were reserved for issuance under the 1998 ESPP that were not purchased as of the expiration of the 1998 ESPP. At our 2012 annual meeting, our shareholders approved an amendment to the 2008 ESPP to increase the total number of shares available for purchase under the 2008 ESPP from 552,837 to 1,052,837. If any change is made in the stock subject to the 2008 ESPP or subject to any outstanding options under the 2008 ESPP (through reorganization, merger, recapitalization, reclassification, stock split, reverse stock split, or similar transaction), appropriate and proportionate adjustments may be made by the Plan Committee (as defined below) in the number and type of shares of common stock that are subject to purchase under outstanding options and to the option price applicable to such outstanding options.

An employee who has completed one year of service with our company will be eligible to participate in the 2008 ESPP. An employee may not participate in the 2008 ESPP if (i) immediately after the grant, such employee would own common stock, including outstanding options to purchase common stock under the 2008 ESPP, possessing 5% or more of the total combined voting power or value of our common stock, or (ii) participation in the 2008 ESPP would permit such employee's rights to purchase common stock under all of our employee stock purchase plans to exceed \$25,000 in fair market value (determined at the time the option is granted) of the common stock for each calendar year in which such option is outstanding.

At the time an employee becomes a participant in the 2008 ESPP, the employee may elect payroll deductions of up to 10% of such employee's compensation for each pay period during an offering. Participants may not reduce or increase future payroll deductions during an offering period. All payroll deductions made by each participant will be credited to an account set up for that participant under the 2008 ESPP. The Plan Committee may, prior to the beginning of an offering period, limit the percentage of compensation that an employee may contribute to his or her account.

Participation in the 2008 ESPP is voluntary and depends on each eligible employee's election to participate and his or her determination as to the level of payroll deductions. Accordingly, future purchases under the 2008 ESPP are not determinable. Non-employee members of the Board of Directors are not eligible to participate in the 2008 ESPP.

A participant in the 2008 ESPP may withdraw all of the payroll deductions credited to such participant's account under the 2008 ESPP by giving us written notice at any time prior to the last five days of an offering period. If a participant withdraws from an offering period, he or she may not participate in that offering but may participate in any succeeding offering under the 2008 ESPP or in any similar plan that we may adopt.

Upon termination of a participant's employment for any reason, other than death or permanent disability (as defined in the Internal Revenue Code), the payroll deductions credited to such participant's account will be returned to the participant. If the participant's employment terminates due to death or permanent disability, the participant or the participant's beneficiary will have the right to elect: (i) to withdraw all of the payroll deductions credited to the participant's account under the 2008 ESPP or (ii) to exercise the participant's option on the next offering termination date and purchase the number of shares of common stock that the accumulated payroll deductions in the participant's account will purchase at the applicable option price. Any excess in the participant's account will be returned to the participant or his or her beneficiary, without interest. In the event

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that we receive no notice of election from the participant or his or her beneficiary, the participant or his or her beneficiary will be deemed to have elected to exercise the participant's option.

The 2008 ESPP, and the right of participants to make purchases thereunder, is intended to qualify under the provisions of Sections 421 and 423 of the Internal Revenue Code. Under these provisions, no income will be taxable to a participant until the shares purchased under the 2008 ESPP are sold or otherwise disposed of. Upon sale or other disposition of the shares, the participant will generally be subject to tax and the amount of the tax will depend upon the holding period. If the shares are sold or otherwise disposed of more than (a) two years from the first day of the offering period, and (b) more than one year from the date of transfer of the shares to the participant, then the participant will recognize ordinary income measured as the lesser of (i) the excess of the fair market value of the shares at the time of such sale or disposition over the purchase price, or (ii) an amount equal to 15% of the fair market value of the shares as of the first day of the offering period. Any additional gain will be treated as long-term capital gain. If the shares are sold or otherwise disposed of before the expiration of these holding periods, the participant will recognize ordinary income generally measured as the excess of the fair market value of the shares on the date the shares are purchased over the price at which the participant purchased the shares under the 2008 ESPP.

Any additional gain or loss on such sale or disposition will be long-term or short-term capital gain or loss, depending on the holding period. We will not be entitled to a deduction for amounts taxed as ordinary income or capital gain to a participant except to the extent ordinary income is recognized by participants as a result of a sale or disposition of shares prior to the expiration of the holding periods described above.

The plan is not intended to be the exclusive means by which we may issue options or warrants to acquire our common stock, stock awards, or any other type of award. To the extent permitted by applicable law and New York Stock Exchange requirements, we may issue any other options, warrants, or awards other than pursuant to the plan with or without shareholder approval.

As of September 30, 2015, there were 350,148 shares of common stock available for purchase under the 2008 ESPP.

**Employment Agreements**

On June 7, 2006, we entered into an employment agreement with each of William H. McGill Jr. and Michael H. McLamb. The employment agreements provide for a base salary of \$500,000 for Mr. McGill and \$225,000 for Mr. McLamb, subject to adjustment from time to time. Each employment agreement provides for a bonus or other incentive compensation based upon the performance of our company and the executive and such other factors as determined to be relevant by our Board of Directors or Compensation Committee. In connection with their employment, each of the executives may also receive options to purchase common stock or other stock-based compensation. Each employment agreement also provides vacation benefits, reimbursement for business expenses, and the right to participate in company-wide benefits, including insurance, retirement, and other plans and programs as are available to our executive officers. Each employment agreement contains a covenant not to compete with our company or solicit our employees or customers for a period equal to the greater of two years immediately following termination of employment or the end of the period during which severance payments are being made, subject to certain exceptions.

We and the executive may each terminate the executive's employment at any time. If we terminate any of the executives without good cause or any of them terminates his employment with good reason or upon a change in control of our company that is not approved by at least two-thirds of our directors or does not provide the executive with the same position he had with us immediately prior to the change of control, as such terms are defined in the respective agreements, the terminated executive will receive an amount equal to the average of his base salary and bonus in the two fiscal years prior to termination (in a lump sum in the event of a change in control), for a period of three years after the effective date of termination in the case of Mr. McGill and 18 months after the effective date of termination in the case of Mr. McLamb; their stock options will vest and be exercisable for up to their full term (or for such shorter period of time that would not cause the executive any adverse tax consequences) and other stock-based compensation will not be subject to forfeiture or repurchase,

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subject in each case to certain exceptions; and the benefits and insurance coverage will continue for three years after termination in the case of Mr. McGill.

In the event of his death, the agreement with Mr. McGill provides for a payment of \$1.5 million to his estate, for a six-month continuation of health, hospitalization, and similar benefits to Mr. McGill's dependent family members, and for all stock options to vest and be exercisable for their full term and for other stock-based compensation to vest and not be subject to forfeiture or repurchase, subject to certain exceptions. In the event of the death of Mr. McLamb, the agreement provides for a payment of \$550,000 to the estate of Mr. McLamb and for all stock options to vest and be exercisable for up to their full term (or for such shorter period of time that would not cause the executive any adverse tax consequences) and for other stock-based compensation to vest and not be subject to forfeiture or repurchase, subject to certain exceptions.

In the event of disability, the employment agreement of each executive provides for the payment in a lump sum of the average of his base salary and bonus in the two fiscal years prior to disability for one year and for all stock options to vest and be exercisable for up to full term (or for such shorter period of time that would not cause the executive any adverse tax consequences) and for other stock-based compensation to vest and not be subject to forfeiture or repurchase, subject to certain exceptions. Mr. McGill's employment agreement provides for retirement benefits if Mr. McGill retires upon his decision or our request upon reaching the age of 75, consisting of the payment to Mr. McGill for two years of an amount equal to 50% of the average of the base salary and bonus paid to him for the two fiscal years prior to retirement, Medicare supplemental medical coverage for life, the continuation of life insurance benefits for a period of three years after retirement, the vesting and continuation of stock options for up to their full term (or for such shorter period of time that would not cause the executive any adverse tax consequences), and the vesting and termination of any forfeiture or repurchase provisions of other stock-based compensation. In addition, the employment agreements with Mr. McGill and Mr. McLamb provide for a gross up for any excise taxes for which they are liable under Section 4999 of the Internal Revenue Code of 1986, as amended, in connection with a change of control.

Section 280G of the Internal Revenue Code may limit the deductibility for federal income tax purposes of payments made following a change in control. If these payments are not deductible and if we have income at least equal to such payments, an amount of income equal to the amount of such payments could not be offset. As a result, the income that was not offset would be phantom income (i.e., income without cash) to our company. A change in control would include a merger or consolidation of our company, a sale of all or substantially all of our assets, under certain circumstances changes in the identity of a majority of the members of the Board of Directors of our company, or acquisitions of more than 20% of our common stock, subject to certain limitations.

**Severance Policy for Key Executives**

On November 27, 2012, our Board of Directors adopted a Severance Policy for Key Executives, or the Severance Policy. Under the Severance Policy, for each executive designated in writing by the Board or the Compensation Committee of the Board, for a 12-month period following employment termination by our company without good cause or by the covered executive for good reason (each as defined in the Severance Policy), we will pay an amount equal to the average of the base salary and cash bonus paid to the covered executive for the two prior full fiscal years on such dates as would otherwise be paid by our company, as well as the COBRA premium for coverage under our medical plan for the covered executive and his or her dependents. All stock options and RSUs held by a covered executive shall continue to vest and shall be exercisable for 12 months following employment termination. A covered executive shall also be entitled to receive all other accrued but unpaid benefits relating to vacations and other executive perquisites through the date of employment termination.

The Severance Policy shall not be applicable to any executive who is a party to a separate employment, severance, change of control, or similar agreement with our company. Ms. Day is currently the only executive designated by the Board as a covered executive under the Severance Policy.

**Table of Contents****Potential Payments Upon Termination or Change of Control**

The following tables show the potential payments upon termination or a change of control for each of our named executive officers.

**William H. McGill Jr.**

Executive Benefits and	Voluntary Termination on 9/30/15	Involuntary Not for Cause Termination on 9/30/15	For Cause Termination on 9/30/15	Involuntary for Good Reason Termination (Change of Control) on 9/30/15	Death on 9/30/15	Disability on 9/30/15
<b>Payments Upon Separation Compensation:</b>						
Bonus	\$	\$	\$	\$	\$	\$
Equity awards(1)	\$	\$ 452,278	\$	\$ 452,278	\$ 452,278	\$ 452,278
<b>Benefits and Perquisites:</b>						
Cash severance	\$	\$ 3,288,029	\$	\$ 3,288,029	\$ 1,500,000	\$ 1,096,010
Health and welfare benefits	\$	\$ 54,185	\$	\$ 54,185	\$ 9,030	\$
Other	\$	\$	\$	\$	\$	\$

**Michael H. McLamb**

Executive Benefits and	Voluntary Termination on 9/30/15	Involuntary Not for Cause Termination on 9/30/15	For Cause Termination on 9/30/15	Involuntary for Good Reason Termination (Change of Control) on 9/30/15	Death on 9/30/15	Disability on 9/30/15
<b>Payments Upon Separation Compensation:</b>						
Bonus	\$	\$	\$	\$	\$	\$
Equity awards(1)	\$	\$ 226,140	\$	\$ 226,140	\$ 226,140	\$ 226,140
<b>Benefits and Perquisites:</b>						
Cash severance	\$	\$ 804,248	\$	\$ 804,248	\$ 550,000	\$ 536,165
Health and welfare benefits	\$	\$	\$	\$	\$	\$
Other	\$	\$	\$	\$	\$	\$

**Paulee C. Day**

Executive Benefits and	Voluntary Termination on 9/30/15	Involuntary Not for Cause Termination on 9/30/15	For Cause Termination on 9/30/15	Involuntary for Good Reason Termination (Change of Control) on 9/30/15	Death on 9/30/15	Disability on 9/30/15
<b>Payments Upon Separation Compensation:</b>						
Bonus	\$	\$	\$	\$	\$	\$
Equity awards(1)	\$	\$ 124,161	\$	\$ 124,161	\$	\$
<b>Benefits and Perquisites:</b>						
Cash severance	\$	\$ 389,171	\$	\$ 389,171	\$	\$
Health and welfare benefits	\$	\$ 5,506	\$	\$ 5,506	\$	\$
Other	\$	\$	\$	\$	\$	\$

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(1) Amounts represent the dollar amounts that would be recognized for financial statement reporting purposes with respect to the unamortized grant date fair value of stock options and RSUs determined in accordance with ASC 718.

The tables above reflect the amount of compensation to Messrs. McGill, McLamb, and Day in the event of a hypothetical termination of such executive's employment on September 30, 2015. The amount of compensation payable to each named executive officer upon voluntary termination, involuntary not for cause termination, for cause termination, termination following a change of control, and in the event of disability or death of the executive is shown above. The amounts shown assume that such termination was effective as of September 30, 2015, and thus includes amounts earned through such time and are estimates of the amounts which would be paid out to the executives upon their termination. Amounts related to stock options assume a price of \$14.13, which was the closing price of our common stock as quoted on the New York Stock Exchange on September 30, 2015, the last trading day of the fiscal year. For unvested options held by these executive officers with exercise prices that were higher than the closing price of our common stock on September 30, 2015, no value has been attributed to stock options in the tables above. The actual amounts to be paid out can only be determined at the time of such executive's separation from our company.

**Limitation of Directors' Liability; Indemnification of Directors, Officers, Employees, and Agents**

Our articles of incorporation provides that no director of our company will be personally liable to us or our shareholders for monetary damages for breach of a fiduciary duty as a director, except to the extent such exemption or limitation of liability is not permitted under the Florida Business Corporation Act. The effect of this provision in the articles of incorporation is to eliminate the rights of our company and our shareholders, either directly or through shareholders' derivative suits brought on behalf of our company, to recover monetary damages from a director for breach of the fiduciary duty of care as a director except in those instances described under Florida law.

In addition, we have adopted provisions in our bylaws and entered into indemnification agreements that require us to indemnify our directors, officers, and certain other representatives of our company against expenses and certain other liabilities arising out of their conduct on behalf of our company to the maximum extent and under all circumstances permitted by law. Indemnification may not apply in certain circumstances to actions arising under the federal securities laws.

**EQUITY COMPENSATION PLAN INFORMATION**

The following table sets forth information with respect to our common stock that may be issued upon the exercise of stock options under our 1998 and 2007 Incentive Compensation Plans and 2011 Stock-Based Compensation Plan and the purchase of shares under our 1998 and 2008 Employee Stock Purchase Plans as of September 30, 2015.

Plan Category	(a) Number of Securities to be Issued Upon Exercise of Outstanding Options, Warrants, and Rights	(b) Weighted Average Exercise Price of Outstanding Options, Warrants, and Rights	(c) Number of Securities Remaining Available for Future Issuance Under Equity Compensation Plans (Excluding Securities Reflected in Column (a))
Equity Compensation Plans Approved by Shareholders(1)	2,048,874	\$ 12.25	1,400,671
Equity Compensation Plans Not Approved by Shareholders			
<b>Total</b>	<b>2,048,874</b>		<b>1,400,671</b>

(1) Includes 111,000 shares of common stock that are subject to unvested restricted stock awards.

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**CERTAIN TRANSACTIONS AND RELATIONSHIPS**

**Policy Relating to Certain Transactions**

We have a policy that we will not enter into any material transaction in which a director or officer has a direct or indirect financial interest unless the transaction is determined by our Board of Directors to be fair to us or is approved by a majority of our disinterested directors or by our shareholders, as provided for under Florida law. Our Board of Directors as a whole or, in certain cases when appropriate, a committee of the Board of Directors consisting solely of independent directors, determines whether a director or officer has a direct or indirect (*i.e.*, any) financial interest in a transaction deemed material based upon the Company's Code of Business Conduct and Ethics and Florida law. The policy with respect to such transactions is provided in our company's Code of Business Conduct and Ethics.

**Family Relationships**

W. Brett McGill, currently our Executive Vice President of Operations, is the son of William H. McGill Jr., our Chief Executive Officer. In November 2012, our Board of Directors appointed W. Brett McGill as an executive officer of our company. Accordingly, compensation decisions relating to W. Brett McGill are performed in the same manner as for our other executive officers, as described under Compensation Discussion and Analysis. Prior to this appointment, compensation decisions relating to W. Brett McGill were performed in the same manner as other employees throughout our company.

**COMPENSATION COMMITTEE REPORT**

Our Compensation Committee has reviewed and discussed with management the Compensation Discussion and Analysis included in this proxy statement and, based on such review and discussions, the Compensation Committee recommended to our Board of Directors that the Compensation Discussion and Analysis be included in this proxy statement.

December 23, 2015  
Clint Moore, Chairman

Respectfully submitted,

Charles R. Oglesby

Joseph A. Watters

Dean S. Woodman

**COMPENSATION COMMITTEE INTERLOCKS AND INSIDER PARTICIPATION**

During the fiscal year ended September 30, 2015, our Compensation Committee consisted of Frances Allen, Clint Moore, Charles R. Oglesby, Joseph A. Watters, and Dean S. Woodman. None of these committee members had any contractual or other relationships with our company during their terms as committee members during such fiscal year.

**DIRECTOR COMPENSATION**

Employees of our company do not receive compensation for serving as members of our Board of Directors. Directors who are employees of our company are eligible to receive stock-based compensation pursuant to our 2011 Stock-Based Compensation Plan.

Each non-employee director receives a quarterly director's fee of \$10,000, which is paid in cash, shares of common stock, or a combination of cash and shares of common stock at the election of the director. The Chairman of the Audit Committee receives an additional annual fee of \$25,000, and other members of the committee receive an additional annual fee of \$7,500; the Chairman of the Compensation Committee receives an additional annual fee





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of \$17,500, and other members of the committee receive an additional annual fee of \$5,000; the Chairman of the Nominating/Corporate Governance Committee receives an additional annual fee of \$10,000, and other members of the committee receive an additional annual fee of \$3,000; and the Lead Independent Director receives an additional annual fee of \$5,000. Under our 2011 Stock-Based Compensation Plan, non-employee directors each receive a grant of options to acquire 5,000 shares of our common stock on the date they are first elected as directors of our company, which vest at a rate of 33% per year beginning on the applicable grant date. Non-employee directors also currently receive 5,000 shares of common stock each year, which vest immediately on the applicable grant date. We reimburse our directors for out-of-pocket expenses incurred in attending meetings of the Board of Directors or committees. We also encourage our directors and their spouses, when applicable, to attend, at our cost, special corporate events with our employees, suppliers, and others when possible.

The following table sets forth the compensation paid by us to non-employee directors for the fiscal year ended September 30, 2015. Messrs. McGill and McLamb do not receive any compensation for service on our Board of Directors.

**DIRECTOR COMPENSATION**

Name(1)	Fees Earned or Paid in Cash(2)	Stock Awards(3)	Total
Hilliard M. Eure III	\$ 73,000	\$ 79,250	\$ 152,250
Clint Moore	\$ 61,875	\$ 42,024	\$ 103,899
Frances L. Allen(4)	\$ 13,146	\$ 79,250	\$ 105,500
Evelyn V. Follit(5)	\$ 5,012	\$ 31,635	\$ 41,635
Charles R. Oglesby	\$ 36,013	\$ 79,250	\$ 130,388
Joseph A. Watters	\$ 27,536	\$ 79,250	\$ 134,250
Dean S. Woodman	\$ 27,784	\$ 79,250	\$ 134,750

- (1) As of September 30, 2015, the following directors had outstanding options: Mr. Eure 84,000 options; Mr. Moore 5,000 options; Ms. Follit 5,000 options; Mr. Oglesby 30,000 options; Mr. Watters 96,000 options and Mr. Woodman 104,000 options.
- (2) Messrs. Oglesby, Watters, Woodman, and Ms. Allen and Ms. Follit elected to receive \$15,125, \$27,464, \$27,716, \$13,104, and \$4,988, respectively, of their annual retainers in shares of our common stock.
- (3) The amounts shown in this column reflect the grant date fair value of stock option and common stock awards determined in accordance with FASB ASC Topic 718 Compensation Stock Compensation, excluding the effects of forfeitures. The assumptions used in determining grant date fair value of our awards are set forth in the notes to our consolidated financial statements, which are included in our Annual Report on Form 10-K filed with the SEC for the fiscal year ended September 30, 2015. We estimated the grant date fair value of each stock option award on the date of grant using the Black-Scholes option pricing model and recognize the compensation expense over the vesting period. See Note 11 to the Consolidated Financial Statements included in our Form 10-K for the year ended September 30, 2015 for a discussion of the relevant assumptions used in determining grant date fair value of our stock option awards pursuant to ASC 718. For further information on these awards, see the Grants of Plan-Based Awards table in the Executive Compensation section of this proxy statement. 24,500 stock options were forfeited by directors in fiscal 2015. The grant date fair value of the stock options and common stock granted during fiscal 2015 was approximately \$469,909.
- (4) Ms. Allen served on the Board of Directors until April 6, 2015.
- (5) Ms. Follit was elected to the Board of Directors on September 16, 2015.

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Our Team Member Discount Policy enables our directors to purchase products and services from us at a discount available to all of our full time employees, subject to the restrictions set forth in the plan. No directors purchased products or services from us during fiscal 2015 in accordance with the plan.

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**REPORT OF THE AUDIT COMMITTEE**

The Board of Directors has appointed an Audit Committee, currently consisting of four directors. All of the members of the committee must be independent of our company and management, as independence is defined in applicable rules of the New York Stock Exchange and the Securities and Exchange Commission listing standards.

The purpose of the Audit Committee is to assist the oversight of our Board of Directors in the integrity of the financial statements of our company, our company's compliance with legal and regulatory matters, the independent auditor's qualifications and independence, and the performance of our company's independent auditor and internal audit function. The primary responsibilities of the committee include overseeing our company's accounting and financial reporting process and audits of the financial statements of our company. Management has the primary responsibility for the financial statements and the reporting process, including the systems of internal controls. The independent auditor is responsible for auditing the financial statements and expressing an opinion on the conformity of those audited financial statements with generally accepted accounting principles. Our Board of Directors has amended and restated the charter of the Audit Committee to reflect, among other things, requirements of federal legislation, including the Sarbanes-Oxley Act of 2002, new rules adopted by the Securities and Exchange Commission, and amended rules of the New York Stock Exchange.

In fulfilling its oversight responsibilities, the committee reviewed and discussed the audited financial statements with management and the independent auditor. The committee discussed with the independent auditor the matters required to be discussed by the guidelines of the SEC, the Sarbanes-Oxley Act of 2002, Auditing Standard No. 16, *Communications with Audit Committees*, and other applicable regulations. This included a discussion of the independent auditor's judgments as to the quality, not just the acceptability, of our company's accounting principles and such other matters as are required to be discussed with the committee under generally accepted auditing standards. In addition, the committee received from the independent auditor written disclosures and the letter required by applicable requirements of the Public Company Accounting Oversight Board regarding the independent accountant's communications with the audit committee concerning independence. The committee also discussed with the independent auditor the independent auditor's independence from management and our company, including the matters covered by the written disclosures and letter provided by the independent auditor.

The committee discussed with our independent auditor the overall scope and plans for its audit. The committee meets with the independent auditor, with and without management present, to discuss the results of the independent auditor's examinations, its evaluations of our company, the internal controls, and the overall quality of the financial reporting. The committee held nine meetings during fiscal 2015.

Based on the reviews and discussions referred to above, the committee recommended to the Board of Directors, and the board approved, that the audited financial statements be included in the Annual Report on Form 10-K for the fiscal year ended September 30, 2015 for filing with the Securities and Exchange Commission.

The report has been furnished by the Audit Committee of our Board of Directors.

December 23, 2015  
Evelyn V. Follit

Hilliard M. Eure III, Chairman

Clint Moore

Dean S. Woodman

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**SECTION 16(a) BENEFICIAL OWNERSHIP REPORTING COMPLIANCE**

Section 16(a) of the Securities Exchange Act of 1934 requires our directors, officers, and persons who own more than 10% of a registered class of our equity securities to file reports of ownership and changes in ownership with the Securities and Exchange Commission. These regulations require the directors, officers, and greater than 10% shareholders to furnish us with copies of all Section 16(a) forms they file.

Based solely upon our review of the copies of such forms received by us during the fiscal year ended September 30, 2015, and written representations that no other reports were required, we believe that each person who, at any time during such fiscal year was a director, officer, or beneficial owner of more than 10% of our common stock, complied with all Section 16(a) filing requirements during such fiscal year, other than as set forth below. Ms. Follit filed one delinquent Form 4, which included a single transaction which was subsequently filed on September 22, 2015.

**Table of Contents****SECURITY OWNERSHIP OF PRINCIPAL SHAREHOLDERS, DIRECTORS, AND OFFICERS**

The following table sets forth certain information regarding beneficial ownership of our common stock as of the record date for (i) all directors, our Chief Executive Officer, and our other named executive officers listed in the Summary Compensation Table under the section entitled Executive Compensation, (ii) all directors and the named executive officers as a group, and (iii) each person known by us to beneficially own more than 5% of our outstanding shares of common stock.

Name of Beneficial Owner(1)	Shares Beneficially Owned	
	Number(2)	Percent(2)
<b>Directors and Executive Officers:</b>		
William H. McGill Jr.	478,021(3)	1.9%
Michael H. McLamb	261,648(4)	1.0%
Charles A. Cashman	16,231(5)	*
W. Brett McGill	22,996(6)	*
Paulee C. Day	37,318(7)	*
Evelyn V. Follit	7,019(8)	*
Hilliard M. Eure III	85,500(9)	*
Charles R. Oglesby	51,274(10)	*
Joseph A. Watters	147,599(11)	*
Dean S. Woodman	157,845(12)	*
Clint Moore	8,333(13)	*
All directors and executive officers as a group (11 persons)	1,273,784	5.0%
<b>5% Shareholders:</b>		
BlackRock, Inc.	2,299,226(14)	9.0%
Dimensional Fund Advisors LP	2,000,544(15)	7.8%

\* Less than 1%.

- (1) Unless otherwise indicated, all persons listed can be reached at our company offices at 2600 McCormick Drive, Suite 200, Clearwater, Florida 33759, and have sole voting and investment power over their shares.
- (2) The numbers and percentages shown include shares of common stock issuable to the identified person pursuant to stock options that may be exercised and restricted stock that may vest within 60 days after the record date (December 14, 2015). In calculating the percentage of ownership, such shares are deemed to be outstanding for the purpose of computing the percentage of shares of common stock owned by such person, but are not deemed to be outstanding for the purpose of computing the percentage of shares of common stock owned by any other shareholder.
- (3) Includes 231,590 shares of common stock issuable upon the exercise of stock options. Amount excludes (i) 75,672 shares of common stock issuable upon vesting of RSUs and (ii) 80,000 shares of common stock issuable upon exercise of unvested stock options.
- (4) Includes 133,000 shares of common stock issuable upon the exercise of stock options. Amount excludes (i) 37,836 shares of common stock issuable upon vesting of RSUs, and (ii) 40,000 shares of common stock issuable upon exercise of unvested stock options.
- (5) Includes 6,945 shares of common stock issuable upon the exercise of stock options. Amount excludes (i) 23,610 shares of common stock issuable upon vesting of RSUs, and (ii) 25,000 shares of common stock issuable upon exercise of unvested stock options.

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- (6) Includes 15,000 shares of common stock issuable upon the exercise of stock options. Amount excludes (i) 23,610 shares of common stock issuable upon vesting of RSUs, and (ii) 25,000 shares of common stock issuable upon exercise of unvested stock options.

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- (7) Includes 25,650 shares of common stock issuable upon the exercise of stock options. Amount excludes (i) 20,785 shares of common stock issuable upon vesting of RSUs, and (ii) 22,000 shares of common stock issuable upon exercise of unvested stock options.
- (8) Includes 1,666 issuable upon the exercise of stock options. Amount excludes 3,334 shares of common stock issuable upon exercise of unvested stock options.
- (9) Includes 74,000 shares issuable upon the exercise of stock options.
- (10) Includes 30,000 shares issuable upon the exercise of stock options.
- (11) Includes 96,000 shares issuable upon the exercise of stock options.
- (12) Includes 104,000 shares issuable upon the exercise of stock options.
- (13) Includes 3,333 issuable upon the exercise of stock options. Amount excludes 1,667 shares of common stock issuable upon exercise of unvested stock options.
- (14) Represents an aggregate of 2,299,226 shares of common stock beneficially owned by BlackRock, Inc., in its capacity as a parent holding company on behalf of certain of its subsidiaries. BlackRock, Inc. has sole voting power over 2,245,870 and dispositive power over all such shares. The address of BlackRock, Inc. is 55 East 52<sup>nd</sup> Street, New York, New York 10022.
- (15) Represents an aggregate of 2,000,544 shares of common stock beneficially owned by Dimensional Fund Advisors LP in its capacity as investment adviser on behalf of its clients. Dimensional Fund Advisors LP has sole voting power over 1,916,407 of such shares and sole dispositive power over all such shares. The address of Dimensional Fund Advisors LP is Building One, 6300 Bee Cave Road, Austin, Texas 78746.



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**PROPOSAL TWO**

**ADVISORY VOTE ON EXECUTIVE COMPENSATION ( SAY-ON-PAY )**

**Background**

The Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010, or the Dodd-Frank Act, enables our shareholders to vote to approve, on an advisory (non-binding) basis, the compensation of our named executive officers as disclosed in this proxy statement in accordance with the SEC's rules.

**Summary**

We are asking our shareholders to provide advisory approval of the compensation of our named executive officers (which consist of our Chief Executive Officer, our Chief Financial Officer, and our other most highly compensated executive officers during our last completed fiscal year), as such compensation is described in the Compensation Discussion and Analysis section, the tabular disclosure regarding such compensation, and the accompanying narrative disclosure set forth in this proxy statement, beginning on page 13. Our executive compensation program is designed to enable us to attract, motivate, and retain highly qualified executives. This program links cash incentive compensation to the achievement of pre-established corporate financial performance objectives and provides long-term stock-based incentive compensation that focuses our executives' efforts on building shareholder value by aligning their interests with those of our shareholders. The following is a summary of some of the key points of our executive compensation program. We urge our shareholders to review the Compensation Discussion and Analysis included in this proxy statement and the executive-related compensation tables for more information.

*Base Salaries.* We target base salaries at levels that enable us to attract, motivate, and retain highly qualified executives, with base salaries generally set at levels below those of our peer companies taking into account the possibility of the receipt by our executives of performance-based incentive bonuses. From fiscal 2013 to fiscal 2014, for the named executive officers that were reported in either year and employed during both years, base salaries increased, on average, 7%, including base salary increases for officers who assumed additional responsibilities. From fiscal 2014 to fiscal 2015, using the same parameters, base salaries increased, on average, 15%.

*We maintain a performance-based cash incentive compensation program.* We annually establish a performance-based cash incentive compensation program designed to reward individuals for performance based on certain aspects of our company's financial results as well as the achievement of personal and corporate objectives that contribute to our long-term success in building shareholder value. Our performance-based cash incentive compensation program results in a substantial portion of our executives' potential total cash compensation being at risk.

*Our stock-based compensation program is designed to align the interests of our management and the interests of our shareholders.* We strongly believe in utilizing our common stock to tie executive rewards directly to our long-term success and increases in shareholder value. Grants of stock-based awards to our executive officers enable those executives to develop and maintain a meaningful ownership position in our common stock. Among other factors, the amount of stock-based awards granted takes into account stock-based awards previously granted to an individual. Grants of stock-based awards are intended to result in limited rewards if the price of our common stock does not appreciate, but may provide substantial rewards to executives as our shareholders in general benefit from stock price appreciation. Grants of stock-based awards also are intended to align compensation with the price performance of our common stock. Historically, our stock-based compensation has been through the grant of stock options and RSUs. Stock based compensation typically vests over a period of years to encourage executive retention and emphasize long-term performance and may also include specific performance metrics to be earned.

*Independent Compensation Consultant.* From time to time, the Compensation Committee retains and works closely with independent executive compensation firms (during 2015, the Compensation Committee retained Mezrah Consulting), in the design and implementation of its annual executive compensation program. Mezrah Consulting provides no other services to our company.

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### **Board Recommendation**

Our Board of Directors believes that the information provided above and within the Executive Compensation section of this proxy statement demonstrates that our executive compensation program is designed appropriately and is working to ensure that management's interests are aligned with our shareholders' interests to support long-term value creation.

The following resolution is submitted for a shareholder vote at the annual meeting:

**RESOLVED**, that the shareholders of the Company approve, on an advisory basis, the compensation of the Company's named executive officers, as disclosed in the Compensation Discussion and Analysis, compensation tables, and narrative discussion set forth in this proxy statement.

We currently hold our say-on-pay vote every year. Shareholders will have an opportunity to cast an advisory vote on the frequency of say-on-pay votes every six years. The next advisory vote on the frequency of the say-on-pay vote will occur no later than the 2018 annual meeting of shareholders.

The say-on-pay vote is advisory, and therefore not binding on our company, our Compensation Committee, or our Board of Directors. Although non-binding, the vote will provide information to our Compensation Committee and our Board of Directors regarding investor sentiment about our executive compensation philosophy, policies, and practices, which our Compensation Committee and our Board of Directors will be able to consider when determining executive compensation for the years to come.

**OUR BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS THAT SHAREHOLDERS VOTE FOR ADOPTION OF THE RESOLUTION APPROVING THE COMPENSATION OF OUR NAMED EXECUTIVE OFFICERS, AS DESCRIBED IN THE COMPENSATION DISCUSSION AND ANALYSIS SECTION AND THE RELATED TABULAR AND NARRATIVE DISCLOSURE SET FORTH IN THIS PROXY STATEMENT.**

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**PROPOSAL THREE**

**REAPPROVAL OF OUR INCENTIVE COMPENSATION PROGRAM**

We have an Incentive Compensation Program under which executive officers may earn bonuses based on their achievement of objective performance goals. Its purpose is to motivate and reward our executive officers, including our chief executive officer, for their contributions to our performance. This program was last approved by our shareholders in 2011.

Compensation that qualifies as performance-based compensation under Section 162(m) of the Internal Revenue Code (referred to as Section 162(m)) is deductible for tax purposes regardless of the total amount of compensation paid to the named executive officer. Other compensation paid to a named executive officer may not be deducted in excess of \$1 million per year. Under the requirements of Section 162(m), shareholder approval of the plan lasts for five years. In order for the bonus payments to continue to qualify as performance-based compensation under Section 162(m), we must submit the material terms of the program for shareholder approval at this meeting.

Since our shareholders last reapproved our Incentive Compensation Program in January 2011, no changes have been made to the program.

The following summary is qualified in its entirety by the terms of the Incentive Compensation Program, a copy of which is attached to this proxy statement as [Appendix A](#).

**Eligibility; Administration**

Our executive officers, as determined by the Compensation Committee of our board of directors, are eligible to participate in the program. Currently, all of our executive officers participate in the program. The Compensation Committee of our Board of Directors, which consists solely of independent directors, administers the program. The Compensation Committee determines who is an executive officer, whether they will participate in the program, their target bonus, the specific performance goals necessary to receive the bonus, whether those goals have been achieved, and takes all other actions necessary to administer the program.

**Performance Criteria**

The following objective performance criteria are considered when setting the performance goals under the program: (i) pre-tax income for our consolidated company or on a regional basis; (ii) customer satisfaction index; (iii) achievement of budgeted results for various company operations; (iv) market share; (v) inventory management, (vi) stock price performance; (vii) earnings before interest expense, taxes, depreciation, and amortization; (viii) operating margin; (ix) working capital; (x) ratio of debt to shareholders' equity; and (xi) performance of certain aspects of our business. Our Compensation Committee may adjust these criteria in its sole discretion and in compliance with Section 162(m).

**Structure of Bonuses**

No participant in the program may receive a bonus under the program in excess of \$3.0 million during any of our fiscal years. The performance period for bonuses under the program may be from one month to multi-year periods in length. Our Compensation Committee generally determines the performance goals and target payouts prior to the commencement of the performance period, in all cases in compliance with the program and the requirements of Section 162(m).

Payments of performance bonuses will be taxable as ordinary income to the executive officers and will be subject to income and employment tax withholding. Subject to the requirement of reasonableness, the provisions of Section 162(m) and the satisfaction of a tax reporting obligation, we generally will be entitled to a tax deduction equal to the taxable ordinary income realized by the recipient of the bonus.

As described above, we intend bonuses paid under the program to qualify as performance-based compensation under Section 162(m). By doing so, we preserve our federal income tax deductions with respect to annual compensation required to be taken into account under Section 162(m) that is in excess of \$1 million and paid to one of our named executive officers.

**Table of Contents****Recommendation**

Our Board of Directors and Compensation Committee recommend that shareholders vote in favor of the Incentive Compensation Program so as to take advantage of the benefits of Section 162(m) of the Internal Revenue Code. If our shareholders do not approve the program, it will be terminated and no bonuses will be paid under this program for the next fiscal year. However, we may still continue to pay bonuses to our executive officers each fiscal year. Such bonuses may not be fully tax-deductible to the extent the total compensation paid to the named executive officer exceeds the Section 162(m) limitation. Our Compensation Committee has not adopted a policy that all compensation paid must be tax-deductible and qualified under Section 162(m) of the Code. If the Company cannot deduct incentive compensation from our taxes, it will increase the cost of these incentive payouts to us and thus to our shareholders through reduced net income.

**Program Benefits**

Because the amounts that would be received by the listed officers under this plan during fiscal 2016 are not currently determinable, the following table provides certain information with respect to incentive cash compensation paid to the officers listed during fiscal 2015. See Executive Compensation Summary Compensation Table. None of our non-employee directors will receive any compensation under the incentive compensation program.

**NEW PLAN BENEFITS****Incentive Compensation Program**

<b>Name and Position</b>	<b>Dollar Value (\$)</b>
William H. McGill Jr.	\$ 724,979
Michael H. McLamb	\$ 289,265
Charles A. Cashman	\$ 220,615
W. Brett McGill	\$ 220,000
Paulee C. Day	\$ 141,366
All current executive officers as a group	\$ 1,596,225
Non-executive director group	
Non-executive officer employee group	

**Duration and Modification**

We plan to retain the Incentive Compensation Program in effect for so long as our Compensation Committee determines that it is an effective method to encourage executives to achieve company profitability. In the event the Compensation Committee revises the targets under performance goals after the shareholders reapprove these goals, the material terms of the performance goals must be disclosed to and be approved by our shareholders every five years.

**Table of Contents****PROPOSAL FOUR****RATIFICATION OF APPOINTMENT OF INDEPENDENT AUDITOR**

Our Audit Committee has appointed KPMG LLP ( KPMG ), an independent registered public accounting firm, to audit the consolidated financial statements of our company for the fiscal year ending September 30, 2016, and recommends that shareholders vote in favor of the ratification of such appointment. In the event of a negative vote on such ratification, the Audit Committee will reconsider its selection. We anticipate that representatives of KPMG will be present at the annual meeting of shareholders, will have the opportunity to make a statement if they desire, and will be available to respond to appropriate questions.

Aggregate fees billed to our company for the fiscal years ended September 30, 2014 and 2015 by KPMG are as follows:

	2014	2015
Audit fees	\$ 393,953	\$ 429,451
Audit-related fees	\$ 0	\$ 0
Tax fees	\$ 12,000	\$ 6,000
All Other fees	\$ 0	\$ 0

Fees for audit services include fees associated with the annual audit, including the audit of the effectiveness of internal control over financial reporting, the reviews of our quarterly reports and other filings with the SEC. Tax fees included tax compliance services.

**Audit Committee Pre-Approval Policies and Procedures**

The charter of our Audit Committee provides that the duties and responsibilities of our Audit Committee include the pre-approval of all audit, audit-related, tax, and other services permitted by law or applicable SEC regulations (including fee and cost ranges) to be performed by our independent auditor. Any pre-approved services that will involve fees or costs exceeding pre-approved levels will also require specific pre-approval by the Audit Committee. Unless otherwise specified by the Audit Committee in pre-approving a service, the pre-approval will be effective for the 12-month period following pre-approval. The Audit Committee will not approve any non-audit services prohibited by applicable SEC regulations or any services in connection with a transaction initially recommended by the independent auditor, the purpose of which may be tax avoidance and the tax treatment of which may not be supported by the Internal Revenue Code and related regulations.

To the extent deemed appropriate, the Audit Committee may delegate pre-approval authority to the Chairman of the Audit Committee or any one or more other members of the Audit Committee provided that any member of the Audit Committee who has exercised any such delegation must report any such pre-approval decision to the Audit Committee at its next scheduled meeting. The Audit Committee will not delegate to management the pre-approval of services to be performed by the independent auditor.

Our Audit Committee requires that our independent auditor, in conjunction with our Chief Financial Officer, be responsible for seeking pre-approval for providing services to us and that any request for pre-approval must inform the Audit Committee about each service to be provided and must provide detail as to the particular service to be provided.

All of the services provided by KPMG described above under the captions Audit Fees, Audit-Related Fees, and Tax Fees were approved by our Audit Committee pursuant to our Audit Committee's pre-approval policies.

**Ratification by Shareholders of the Appointment of Independent Auditor**

Ratification of the appointment of KPMG to audit the consolidated financial statements of our company for the fiscal year ending September 30, 2016 will require the affirmative vote of a majority of the votes cast, assuming that a quorum is present at the meeting.

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**DEADLINE FOR RECEIPT OF SHAREHOLDER PROPOSALS**

Shareholder proposals that are intended to be presented by shareholders at the annual meeting of shareholders for the fiscal year ending September 30, 2016 must be received by us within the time periods described below in order to be included in the proxy statement and form of proxy relating to such meeting. Under our bylaws, shareholders must follow certain procedures to nominate persons for election as a director or to introduce an item of business at an annual meeting of shareholders. In general, to be timely under these procedures, notice of such nomination or business related to our 2017 Annual Meeting of Shareholders must comply with the requirements in our bylaws and must be received by us: (a) no earlier than October 21, 2016 and no later than November 20, 2016; or (b) if the annual meeting is more than 30 days before, or more than 70 days after, February 18, 2017, no earlier than 120 days in advance of such annual meeting and no later than the close of business on the later of (i) 90 days in advance of such annual meeting or (ii) the 10th day following the date on which public announcement of the date of such meeting is first made.

Pursuant to Rule 14a-4 under the Exchange Act, we intend to retain discretionary authority to vote proxies with respect to shareholder proposals for which the proponent does not seek inclusion of the proposed matter in our proxy statement for the annual meeting to be held during calendar 2017, except in circumstances where (i) we receive notice of the proposed matter no later than November 8, 2016, and (ii) the proponent complies with the other requirements set forth in Rule 14a-4.

**OTHER MATTERS**

We know of no other matters to be submitted at the meeting. If any other matters properly come before the meeting, it is the intention of the persons named in the enclosed proxy card to vote the shares they represent as the Board of Directors may recommend.

Dated: December 23, 2015

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**APPENDIX A**

**MARINEMAX, INC.**

**INCENTIVE COMPENSATION PROGRAM**

**1. Purpose.** The purpose of the MarineMax, Inc. Incentive Compensation Program, is to motivate and reward short-term performance by providing cash bonus payments based upon the achievement of pre-established and objective performance goals for each fiscal year or portion of a fiscal year.

**2. Definitions.** The following definitions are applicable to the Program:

(a) **Applicable Law** means the legal requirements relating to the administration of the Program under applicable federal, state, local and foreign corporate, tax, securities, contract and other laws, and the rules and requirements of any stock exchange or quotation system on which the Company's common stock is listed or quoted, all as amended through the applicable date. The term **Applicable Law** includes laws and regulations that are not mandatory but compliance with which confers benefits on the Company or Participants (e.g., Code Sections 162(m) and 409A), where such compliance is intended under the Program.

(b) **Annual Incentive Award** or **Award** means an annual incentive award made pursuant to Section 5 of the Program.

(c) **Base Salary** means the base rate of cash compensation paid by the Company to or for the benefit of a Participant for services rendered or labor performed while a Participant in this Program, including base pay a Participant could have received in cash in lieu of deferrals under the Company's 401(k) Profit Sharing Plan or to any cafeteria plan under Section 125 of the Code maintained by the Company.

(d) **Board** means the Board of Directors of the Company.

(e) **Code** means the Internal Revenue Code of 1986, as amended, including Treasury Regulations.

(f) **Committee** means the Compensation Committee of the Board, which shall be appointed by, and serve at the pleasure of, the Board, and shall consist of members of the Board who are not employees of the Company or any affiliate thereof and who qualify as **outside directors** under Section 162(m) of the Code, as amended from time to time, and the regulations promulgated thereunder.

(g) **Company** means MarineMax, Inc., a Florida corporation.

(h) **Executive Officer** means an employee of the Company whom the Board has designated as an executive officer of the Company for purposes of reporting under the Securities Exchange Act of 1934, as amended from time to time, or any successor thereto.

(i) **Fiscal Year** means the fiscal year of the Company.

(j) **Participant** means any Executive Officers designated by the Committee to participate in the Program.

(k) **Performance Period** means the performance measurement period specified by the Committee to which the performance target(s) under an Award relate. The Performance Period may be from one month to multi-year periods in length.

(l) **Program** means this MarineMax, Inc. Incentive Compensation Program, as amended and restated, and as it may be further amended from time to time.

(m) **Qualified Performance-Based Compensation** means compensation intended to constitute **qualified performance-based compensation** within the meaning of Section 162(m) of the Code.

(n) **Target Determination Cutoff Date** means the latest possible date that will not jeopardize an Incentive Award's qualification as **Qualified Performance-Based Compensation**.





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**3. Administration of Program.** The Program shall be administered by the Committee. The Committee shall have the authority to select Executive Officers to participate in the Program, to determine performance goals and the Incentive Award amounts to be paid upon achievement of the performance goals, to determine the target bonus of the Participants, to determine whether the performance goals have been achieved, to determine other terms and conditions of Awards under the Program, to establish and amend rules and regulations relating to the Program, and to make all other determinations necessary and advisable for the administration of the Program. The Committee may correct any defect, supply any omission or reconcile any inconsistency in the Program or any Award in the manner and to the extent it shall deem desirable to carry it into effect. All decisions made by the Committee pursuant to the Program shall be made in the Committee's sole and complete discretion and shall be final and binding on Executive Officers, Participants, and the Company.

**4. Designation of Participants.** Participants in the Program shall be selected by the Committee on an annual basis from among the Executive Officers.

**5. Incentive Awards.**

(a) Each Participant shall be eligible to receive such Incentive Award, if any, for a Performance Period as may be established by the Committee and payable pursuant to the performance criteria described below. Incentive Awards consist of cash amounts payable upon the achievement during a Performance Period of specified objective performance goals. No later than the Target Determination Cutoff Date, the Committee will establish the performance goal(s) and the amount to be paid if the performance goal(s) are achieved. The Incentive Award opportunity, including any designated target, threshold or maximum opportunity, for each Participant will be specified as a percentage of the Participant's Base Salary, or as the sum of a percentage of the funds available for the payment of such Incentive Award or as a stated dollar amount or dollar amount calculated under a formula based on the relevant performance goal. The maximum Bonus Award shall be pro-rated for any Bonus Award with respect to a performance period that is shorter than one year. No Participant in the Program may receive an Award under the Program in excess of \$3.0 million during any of the Company's Fiscal Years.

(b) Participants shall have their Incentive Awards, if any, determined on the basis of the degree of achievement of performance goals which shall be established by the Committee in writing. One or more of the following business criteria for the Company, on a consolidated basis, and/or for specified subsidiaries or affiliates or other business units of the Company, shall be used by the Committee in establishing performance goals for Incentive Awards: pre-tax income for the consolidated company or on a regional basis; pre-tax profit after adjustments; pre-tax earnings improvement percentage; inventory aging; customer satisfaction index (including, but not limited to, FANs score); achievement of budgeted results for various company operations; market share; inventory management; stock price performance; earnings before interest expense, taxes, depreciation and amortization; operating margin; working capital; ratio of debt to shareholders' equity; performance of certain aspects of our business; sales, including to specified market segments or targeted customers; earnings per share; core earnings per share or variations thereof; return on equity; costs; revenue; cash to cash cycle; days payables outstanding; days of supply; days sales outstanding; cash flow; operating income; profit after tax; return on assets; return on net assets; return on sales; inventory turns; invested capital, including completion of a specified capital raising transaction; net operating profit after tax; return on invested capital; total shareholder return; earnings; return on equity or average shareholders' equity; return on capital; return on investment; income or net income; operating income or net operating income; operating profit or net operating profit; return on operating revenue; contract awards of backlog; overhead or other expense reduction; growth in shareholder value relative to the moving average of a peer group index; credit rating; strategic plan development and implementation; net cash provided by operating activities; gross margin; economic value added; financial return ratios; market performance; completion of a specified acquisition or disposition; bookings; business divestitures and acquisitions; cash position; contribution margin; customer renewals; customer retention rates; EBITDA; employee satisfaction; expenses; gross profit dollars; growth in bookings; growth in revenues; net profit; net sales; number of customers; productivity; operating cash flow; operating expenses; product defect measures; product release timelines; productivity; research and development milestones; revenue growth; time to market; or such similarly objectively determinable financial or other measures as may be adopted by the Committee, in its sole and complete discretion.

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(c) The targeted level or levels of performance with respect to such measurement criteria may be established at such levels and in such terms as the Committee may determine, in its sole and complete discretion, including in absolute terms, as a goal relative to performance in prior periods, or as a goal compared to the performance of one or more comparable companies or an index covering multiple companies, in all cases in compliance with the Program and the requirements of Section 162(m). The Committee may, in establishing performance goals on or prior to the Target Determination Cutoff Date, specify that performance will be determined before payment of bonuses, capital charges, non-recurring income or expense, items of an unusual nature or of a type that indicates infrequency of occurrence, or other financial and general and administrative expenses for the performance period, and may provide that the attainment of the performance goal will be measured by appropriately adjusting the evaluation of performance goal performance to exclude the effect of any changes in accounting principles affecting the Company's or a business unit's reported results. The targeted level or levels of performance may be established in terms of Company-wide objectives or objectives that are related to the performance of the individual Participant or the subsidiary, division, department or function within the Company or subsidiary in which the Participant is employed. Performance goals need not be based on audited financial results.

(d) The Compensation Committee shall have the power to impose such other restrictions on Incentive Awards as it may deem necessary or appropriate to ensure that such Awards satisfy all requirements for Qualified Performance-Based Compensation.

(e) The Committee shall, for each Performance Period, establish the performance goal or goals from among the foregoing to apply to each Participant and a formula or matrix prescribing the extent to which such Participant's Incentive Award shall be earned based upon the achievement of such performance goal or goals. The performance goals may differ from Participant to Participant and from Award to Award.

(f) Each Incentive Award shall be earned only if at least one performance goal established in accordance with Section 5(a) and (b) has been achieved, except that the Committee may specify that the Award may become payable in the event of death, disability or a change in control to the extent permissible under Code Section 162(m) as of the end of the Performance Period. The Committee shall have no discretion to increase the amount of the Incentive Award, but shall retain sole and complete discretion to decrease the amount of the Incentive Award at any time through the last day of the Fiscal Year in which the Performance Period ended, generally referred to as negative discretion. No Incentive Award shall be payable except upon written approval by the Committee that the performance goals have been satisfied to a particular extent and that any other material terms and conditions precedent to payment of an Incentive Award have been satisfied; provided, however, that (1) the Committee may delegate to the Committee's chairperson the authority to grant such approval and (2) the Committee (or the Committee's chairperson, if applicable) may grant the approval subject to future changes based on finalization of the Company's financial statements for the applicable time period so long as such future changes do not cause changes in the amount of such Incentive Award to differ more than 5% from the amount reviewed by the Committee (or the Committee's chairperson, if applicable).

(g) Payment of any Incentive Award amount to be paid to a Participant based upon the degree of attainment of the applicable performance goals shall be made following the end of the Performance Period for which such Incentive Award was earned, and in no event later than the date that is two and one-half months following the last day of the Fiscal Year for which such Incentive Award was earned.

(h) Incentive Awards will be denominated in cash and will be payable in cash, except that the Committee may denominate an Incentive Award in shares of the Company's common stock and/or settle an Award in shares of common stock if and to the extent that shares of the Company's common stock are authorized for use in incentive awards and available under a Company equity compensation plan approved by shareholders of the Company.

(i) The Committee may defer payment of any Incentive Award, or any portion thereof, to a Participant as the Committee, in its sole and complete discretion, determines to be necessary or desirable to preserve the deductibility of such amounts under Section 162(m) of the Code, provided that payment of the Incentive Award is made as soon as reasonably practicable following the first date on which the Committee anticipates or

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reasonably should anticipate that, if the payment were made on such date, the Company's deduction with respect to such payment would no longer be restricted due to the application of Section 162(m) of the Code. In addition, the Committee, in its sole and complete discretion, may permit a Participant to defer receipt of the payment of cash that would otherwise be delivered to a Participant under the Program. Any such deferral election shall be subject to such rules and procedures as shall be determined by the Committee in its sole and complete discretion and shall be made in accordance with Section 409A of the Code.

**6. Additional Forfeiture Provisions.** The Committee may impose as a condition of Incentive Awards, and as a condition of a Participant's right to receive or retain cash, common stock or other property in connection with an Award, requirements that the Participant comply with specified conditions relating to non-competition, confidentiality of information relating to or possessed by the Company, non-solicitation of customers, suppliers, and employees of the Company, cooperation in litigation, non-disparagement of the Company and its subsidiaries and affiliates, and other restrictions upon or covenants of the Participant, including during specified periods following termination of employment or service to the Company. Incentive Awards, and the Participant's right to receive or retain cash, common stock or other property in connection with an Award, will be subject to recoupment or clawback to the extent necessary or appropriate to comply with any recoupment or clawback policy of the Company, or as required under Applicable Law, including, but not limited to, Section 304 of the Sarbanes-Oxley Act of 2002, and the Dodd-Frank Wall Street Reform and Protection Act of 2002, regardless of whether such recoupment or clawback is applied with prospective or retroactive effect.

**7. Participant's Interests.** A Participant's interest in any Awards shall at all times be reflected on the Company's books as a general unsecured and unfunded obligation of the Company subject to the terms and conditions of the Program. The Program shall not give any person any right or security interest in any asset of the Company or any fund in which any deferred payment is deemed invested. None of the Company, the Board, or the Committee shall be responsible for the adequacy of the general assets of the Company to discharge, or required to reserve or set aside funds for, the payment of its obligations hereunder.

**8. Non-Alienation of Benefits; Beneficiary Designation.** All rights and benefits under the Program are personal to the Participant and neither the Program nor any right or interest of a Participant or any other person arising under the Program is subject to voluntary or involuntary alienation, sale, transfer, or assignment. Subject to the foregoing, the Company may establish such procedures as it deems necessary for a Participant to designate one or more beneficiaries to whom any payment the Committee determines to make would be payable in the event of the Participant's death.

**9. Withholding for Taxes.** Notwithstanding any other provisions of this Program, the Company shall withhold from any payment made by it under the Program such amount or amounts as required for purposes of complying with any federal, state, local or foreign income and/or payroll tax, or withholding requirements, unless otherwise determined by the Committee (in which case withholding may be from other payments from the Company to the Participant, if so determined by the Committee).

**10. No Employment Rights.** Nothing in the Program shall interfere with or limit in any way the right of the Company to terminate a Participant's employment at any time, or confer upon any Participant any right to continued employment with the Company or any of its subsidiaries or affiliates. A Participant shall not be entitled to any claim or recourse if any action or inaction by the Company, or any other circumstance or event, including any circumstance or event outside the control of the Participant, adversely affects the ability of the Participant to satisfy a performance goal or in any way prevents the satisfaction of a performance goal.

**11. Determinations Final.** Each determination provided for in the Program shall be made by the Committee under such procedures as may from time to time be prescribed by the Committee and shall be made in the sole and complete discretion of the Committee. Any such determination shall be conclusive.

**12. Adjustment of Awards.** The Committee may (in its sole and complete discretion) make adjustments in the method of calculating attainment of performance goals in recognition of unusual or nonrecurring events affecting the Company or its financial statements or changes in applicable laws, regulations or accounting principles; provided, however, that any such adjustments with respect to Incentive Awards shall be made in a manner consistent with Section 162(m) of the Code.

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**13. Nonexclusivity of the Program.** The adoption of this Program and the grant of Incentive Awards hereunder shall not be construed as creating any limitations on the power of the Board or Committee to adopt such other compensation arrangement or award such other compensation as it may deem advisable with respect to any Participant.

**14. Amendment or Termination.** The Board may amend, suspend or terminate the Program from time to time. The Committee may amend, alter, suspend or terminate the Program so long as such action complies with Applicable Law, except that any Program amendment to be presented to the shareholders for approval shall first be approved by the Board. In the event the Committee revises the targets under performance goals after the shareholders approve these goals, the material terms of the performance goals must be disclosed to and be re-approved by the shareholders every five years. No such termination or amendment shall alter a Participant's right to receive a distribution as previously earned, as to which this Program shall remain in effect following its termination until all such amounts have been paid, except as the Company may otherwise determine.

**15. Code Section 409A.** The Program and the Awards granted hereunder are intended to meet the short-term deferral exception to the provisions of Section 409A of the Code and Treasury regulations issued thereunder or to otherwise comply with Section 409A of the Code and the Treasury regulations and guidance issued thereunder. Notwithstanding any provision of the Program to the contrary, the Program shall be interpreted and construed consistent with this intent. Notwithstanding the foregoing, the Company shall not be required to assume any increased economic burden in connection therewith. Although the Committee intends to administer the Program so that it will comply with the requirements of Section 409A of the Code, neither the Committee nor the Company represents or warrants that the Program will comply with Section 409A of the Code or any other provision of federal, state, local, or non-United States law. Neither the Company, its subsidiaries, nor their respective directors, officers, employees or advisers shall be liable to a Participant (or any other individual claiming a benefit through a Participant) for any tax, interest, or penalties a Participant may owe as a result of compensation paid under the Program, and the Company shall have no obligation to indemnify or otherwise protect a Participant from the obligation to pay any taxes pursuant to Section 409A of the Code.

**16. Section 162(m) of the Code.** It is the Intent of the Company that the Program and the Bonus Awards made under the Program to Participants who are or may become persons whose compensation is subject to Section 162(m) of the Code satisfy any applicable requirements to be treated as qualified performance-based compensation under Section 162(m) of the Code.

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***MARINEMAX, INC.***

***2600 MCCORMICK DRIVE***

***SUITE 200***

***CLEARWATER, FLORIDA 33759***

**VOTE BY INTERNET - [www.proxyvote.com](http://www.proxyvote.com)**

Use the Internet to transmit your voting instructions and for electronic delivery of information up until 11:59 P.M. Eastern Time the day before the cut-off date or meeting date. Have your proxy card in hand when you access the web site and follow the instructions to obtain your records and to create an electronic voting instruction form.

**ELECTRONIC DELIVERY OF FUTURE PROXY MATERIALS**

If you would like to reduce the costs incurred by our company in mailing proxy materials, you can consent to receiving all future proxy statements, proxy cards and annual reports electronically via e-mail or the Internet. To sign up for electronic delivery, please follow the instructions above to vote using the Internet and, when prompted, indicate that you agree to receive or access proxy materials electronically in future years.

**VOTE BY PHONE - 1-800-690-6903**

Use any touch-tone telephone to transmit your voting instructions up until 11:59 P.M. Eastern Time the day before the cut-off date or meeting date. Have your proxy card in hand when you call and then follow the instructions.

**VOTE BY MAIL**

Mark, sign and date your proxy card and return it in the postage-paid envelope we have provided or return it to

Vote Processing, c/o Broadridge, 51 Mercedes Way,  
Edgewood, NY 11717.

TO VOTE, MARK BLOCKS BELOW IN BLUE OR BLACK INK AS FOLLOWS:

M98387-P71011

KEEP THIS PORTION FOR YOUR RECORDS

DETACH AND RETURN THIS PORTION ONLY

**THIS PROXY CARD IS VALID ONLY WHEN SIGNED AND DATED.  
MARINEMAX, INC.**

**The Board of Directors recommends a vote for each director nominee and for the approval of proposals 2, 3, and 4.**

1. Election of Directors, each to serve for a three-year term expiring in 2019.

**Nominees:**

**For Against Abstain**

1a. Hilliard M. Eure III

.. .. ..

1b. Joseph A. Watters

.. .. ..

1c. Dean S. Woodman

.. .. ..

**For Against Abstain**

2. To approve (on an advisory basis) our executive compensation ( say-on-pay ).
3. To reapprove our Incentive Compensation Program.
4. To ratify the appointment of KPMG LLP, an independent registered public accounting firm, as the independent auditor of our company for the year ending September 30, 2016.

.. .. ..  
.. .. ..  
.. .. ..

And upon such other matters that may properly come before the meeting or any adjournment or adjournments thereof.

**NOTE: THIS PROXY WILL BE VOTED AS DIRECTED OR, IF NO CONTRARY DIRECTION IS INDICATED, FOR THE ELECTION OF THE THREE DIRECTORS NAMED ABOVE, EACH TO SERVE FOR A THREE-YEAR TERM EXPIRING IN 2019, FOR PROPOSALS 2, 3, AND 4, AND AS SAID PROXIES DEEM ADVISABLE ON SUCH OTHER MATTERS AS MAY COME BEFORE THE MEETING.**

A majority of such proxies or substitutes as shall be present and shall act at said meeting or any adjournment or adjournments thereof (or if only one shall be present and act, then that one) shall have and may exercise all of the powers of said proxies hereunder.

Please indicate if you plan to attend this meeting. .. ..

**Yes No**

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Please sign exactly as your name(s) appear(s) hereon. When signing as attorney, executor, administrator, or other fiduciary, please give full title as such. Joint owners should each sign personally. All holders must sign. If a corporation or partnership, please sign in full corporate or partnership name by authorized officer.

Signature [PLEASE SIGN WITHIN BOX]

Date

Signature (Joint Owners) Date

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**Important Notice Regarding the Availability of Proxy Materials for the Annual Meeting to be held on February 18, 2016:**

The Notice and Proxy Statement and 10-K Wrap are available at [www.proxyvote.com](http://www.proxyvote.com).

M98388-P71011

**This Proxy is Solicited on Behalf of the Board of Directors**

**MARINEMAX, INC.**

**2016 ANNUAL MEETING OF STOCKHOLDERS**

The undersigned stockholder of MARINEMAX, INC., a Florida corporation, hereby acknowledges receipt of the notice of Annual Meeting of Stockholders and proxy statement, each dated December 23, 2015, and hereby appoints William H. McGill, Jr. and Michael H. McLamb and each of them, proxies and attorneys-in-fact, with full power to each of substitution, on behalf and in the name of the undersigned, to represent the undersigned at the 2016 Annual Meeting of Stockholders of MARINEMAX, INC., to be held on Thursday, February 18, 2016, at 8:00 a.m., local time, at 2600 McCormick Drive, Suite 200, Clearwater, Florida 33759 and at any adjournment or adjournments thereof, and to vote all shares of common stock which the undersigned would be entitled to vote if then and there personally present on the matters set forth on the reverse side of this proxy card.

**THE BOARD OF DIRECTORS RECOMMENDS A VOTE FOR THE ELECTION OF THE NOMINEE DIRECTORS, EACH TO SERVE FOR A THREE-YEAR TERM EXPIRING IN 2019, FOR THE APPROVAL (ON AN ADVISORY BASIS) OF OUR EXECUTIVE COMPENSATION ( SAY-ON-PAY ), FOR THE REAPPROVAL OF OUR INCENTIVE COMPENSATION PROGRAM, AND FOR THE RATIFICATION OF THE APPOINTMENT OF KPMG LLP, AN INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM, AS THE INDEPENDENT AUDITOR OF OUR COMPANY FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2016.**

**PLEASE SIGN, DATE, AND RETURN PROMPTLY IN THE ENCLOSED ENVELOPE.**

**FOR ADDRESS CHANGES AND/OR COMMENTS, PLEASE CALL 727-531-1700 OR E-MAIL [INVESTORRELATIONS@MARINEMAX.COM](mailto:INVESTORRELATIONS@MARINEMAX.COM).**

**Continued and to be signed on reverse side**