

TEAM FINANCIAL INC /KS
Form DEFC14A
June 02, 2008

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

SCHEDULE 14A
(Rule 14a-101)

INFORMATION REQUIRED IN PROXY STATEMENT

SCHEDULE 14A INFORMATION

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

(Amendment No. _____)

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 Under Rule 14a-12

TEAM FINANCIAL, INC.
(Name of Registrant as Specified In Its Charter)

KEITH B. EDQUIST
JEFFREY L. RENNER
LLOYD A. BYERHOF

(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.
-

- (1) Title of each class of securities to which transaction applies:

- (2) Aggregate number of securities to which transaction applies:

- (3) Per unit price or other underlying computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

- (4) Proposed maximum aggregated value of transaction:

- (5) Total fee paid:
 - o Fee paid previously with preliminary materials.

 - o Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the form or schedule and the date of its filing.

- (1) Amount Previously Paid:

- (2) Form, Schedule or Registration Statement No.:

- (3) Filing Party:

- (4) Date Filed:

KEITH B. EDQUIST
9747 Nottingham Drive
Omaha, Nebraska 68114

June 2, 2008

Dear Fellow Shareholder:

I am the beneficial owner of an aggregate of 101,260 shares of common stock of Team Financial, Inc. (“Team” or the “Company”), representing approximately 2.8% of the outstanding common stock of the Company. I do not believe the current Board of Directors of the Company is acting in my or your best interests as discussed in further detail in the attached Proxy Statement. I am therefore seeking your support at the annual meeting of shareholders (the “Annual Meeting”) scheduled to be held on Tuesday, June 17, 2008 at 9:00 a.m. local time at the Paola High School Auditorium, 401 North Angela, Paola, Kansas, for the following:

1. To elect my slate of three nominees to the Board of Directors to serve as Directors of the Company in opposition to the Company’s three nominees, and
2. A proposal to approve the modification of terms of the 1999 Employee Stock Purchase Plan, as recommended by the Board of Directors, and
3. To ratify the selection of KPMG, LLP as the Company’s independent auditors for the year 2008.

Through the attached Proxy Statement, I am soliciting proxies to elect my three Director nominees. The names, backgrounds and qualifications of the Company’s nominees, and other information about them, can be found in the Company’s proxy statement.

I am not seeking control of the Board of Directors at the Annual Meeting. However, I hope that this election contest will result in Management and the Board’s nominees NOT being re-elected to the Board of Directors and send a strong message to the remaining incumbent Directors and Management that shareholders are not satisfied with the Company’s operating performance and management.

I urge you to carefully consider the information contained in the attached Proxy Statement and then support my efforts by signing, dating, and returning the enclosed GOLD proxy card today. The attached Proxy Statement and the enclosed GOLD proxy card are first being furnished to the shareholders on or about June 2, 2008.

If you have already voted for the management slate you have every right to change your vote by signing, dating and returning a later dated proxy card or by voting in person at the Annual Meeting.

If you have any questions or require any assistance with your vote, please contact Morrow & Co., LLC, which is assisting us, at their address and toll-free numbers listed below.

Thank you for your support,

/s/ Keith B. Edquist

E-mail: teamedquist@gmail.com

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If you have any questions, require assistance in voting
your GOLD proxy card,
or need additional copies of my proxy materials, please
call Morrow & Co., LLC
at the phone numbers listed below.

Morrow & Co., LLC

470 West Avenue

Stamford, CT 06902

Banks and Brokerage Firms, Please Call: (203)

658-9400

Shareholders Call Toll Free: (800) 607-0088

E-mail: teamedquistinfo@morrowco.com

ANNUAL MEETING OF SHAREHOLDERS
OF
TEAM FINANCIAL, INC.

PROXY STATEMENT
OF
KEITH B. EDQUIST

PLEASE SIGN, DATE AND MAIL THE ENCLOSED GOLD PROXY CARD TODAY

Keith B. Edquist and the Nominees named below (collectively referred to herein as “Keith B. Edquist” or “I”), who are named as participants in this Proxy Statement, are shareholders of Team Financial, Inc., a Kansas corporation (“Team” or the “Company”). I am writing to you in connection with the election of my three nominees to the Board of Directors of the Company (the “Board”) at the annual meeting of shareholders (the “Annual Meeting”) scheduled to be held on Tuesday, June 17, 2008 at 9:00 a.m. local time at Paola High School Auditorium, 401 North Angela, Paola, Kansas, including any adjournments or postponements thereof and any meeting which may be called in lieu thereof. This Proxy Statement and the enclosed GOLD proxy card are first being furnished to shareholders on or about June 2, 2008.

This Proxy Statement and the enclosed GOLD proxy card are being furnished by Keith B. Edquist in connection with the solicitation of proxies from the Company’s shareholders for the following:

1. To elect Director nominees Keith B. Edquist, Jeffrey L. Renner and Lloyd A. Byerhof (the “Nominees”), to serve as Directors of the Company, in opposition to the Company’s nominees, which include two incumbent Directors whose terms expire at the Annual Meeting, and
2. A proposal to approve the modification of terms of the 1999 Employee Stock Purchase Plan, as recommended by the Board of Directors, and
3. To ratify the selection of KPMG, LLP as the Company’s independent auditors for the year 2008.

The Nominees are deemed participants in this proxy solicitation.

The Company has set the Record Date for determining shareholders entitled to notice of and to vote at the Annual Meeting as April 24, 2008 (the “Record Date”). The mailing address of the principal executive offices of the Company is 8 West Peoria, Suite 200, Paola, Kansas 66071. Shareholders of record at the close of business on the Record Date will be entitled to vote at the Annual Meeting. According to the Company, as of the Record Date, there were 3,596,103 shares of common stock (the “Shares”) outstanding and entitled to vote at the Annual Meeting. As of the Record Date, the Nominees were the beneficial owners of an aggregate of 143,660 Shares (does not include 11,000 shares acquired by the Nominees after the Record Date--See Schedule I), which represents approximately 4% of the Shares outstanding. The Nominees intend to vote such Shares for the election of the Nominees, for the approval of the modification of the terms of the 1999 Employee Stock Purchase Plan, and for the ratification of the selection of KPMG, LLP as described herein.

THIS SOLICITATION IS BEING MADE BY THE NOMINEES AND NOT ON BEHALF OF THE BOARD OF DIRECTORS OR MANAGEMENT OF THE COMPANY. THE NOMINEES ARE NOT AWARE OF ANY OTHER MATTERS TO BE BROUGHT BEFORE THE ANNUAL MEETING. SHOULD OTHER MATTERS OF WHICH THE NOMINEES ARE NOT AWARE A REASONABLE TIME BEFORE THIS SOLICITATION, BE BROUGHT BEFORE THE ANNUAL MEETING, THE PERSONS NAMED AS PROXIES IN THE ENCLOSED GOLD PROXY CARD WILL VOTE ON SUCH MATTERS IN THEIR DISCRETION.

THE NOMINEES URGE YOU TO SIGN, DATE AND RETURN THE GOLD PROXY CARD IN FAVOR OF THE ELECTION OF THEIR NOMINEES DESCRIBED IN THIS PROXY STATEMENT.

IF YOU HAVE ALREADY SENT A PROXY CARD FURNISHED BY COMPANY MANAGEMENT OR THE BOARD, YOU MAY REVOKE THAT PROXY AND VOTE FOR EACH OF THE PROPOSALS DESCRIBED IN THIS PROXY STATEMENT BY SIGNING, DATING AND RETURNING THE ENCLOSED GOLD PROXY CARD. THE LATEST DATED PROXY IS THE ONLY ONE THAT COUNTS. ANY PROXY MAY BE REVOKED AT ANY TIME PRIOR TO THE ANNUAL MEETING BY DELIVERING A WRITTEN NOTICE OF REVOCATION OR A LATER DATED PROXY FOR THE ANNUAL MEETING OR BY VOTING IN PERSON AT THE ANNUAL MEETING. ALTHOUGH A REVOCATION IS EFFECTIVE IF DELIVERED TO THE COMPANY, THE NOMINEES REQUEST THAT EITHER THE ORIGINAL OR PHOTOSTATIC COPIES OF ALL REVOCATIONS BE MAILED TO THE NOMINEES IN THE ENVELOPE PROVIDED .

IMPORTANT

Your vote is important, no matter how many Shares you own. The Nominees urge you to sign, date, and return the enclosed GOLD proxy card today to vote FOR the election of the Nominees.

- § If your Shares are registered in your own name, please sign and date the enclosed GOLD proxy card and return it to the Nominees, in the enclosed envelope today .
- § If your Shares are held in a brokerage account or bank, you are considered the beneficial owner of the Shares, and these proxy materials, together with a GOLD voting form, are being forwarded to you by your broker or bank. As a beneficial owner, you must instruct your broker, trustee or other representative how to vote. Your broker cannot vote your Shares on your behalf without your instructions.
- § Depending upon your broker or custodian, you may be able to vote either by toll-free telephone or by the Internet. You may also vote by signing, dating and returning the enclosed voting form.

Since only your latest dated proxy card will count, I urge you not to return any proxy card you receive from the Company. Even if you return the management proxy card marked “withhold” as a protest against the Company nominees, it will revoke any proxy card you may have previously sent to the Nominees. Remember, you can vote for my three independent Nominees only on my GOLD proxy card, So please make certain that the latest dated proxy card you return is the GOLD proxy card.

Please call Morrow & Co., LLC if you need assistance in voting your GOLD proxy card.

Morrow & Co., LLC

470 West Avenue
Stamford, CT 06902

Banks and Brokerage Firms, Please Call: (203) 658-9400
Shareholders Call Toll Free: (800) 607-0088
E-mail: teamedquistinfo@morrowco.com

BACKGROUND TO SOLICITATION

The following is a chronology of events leading up to this proxy solicitation:

- § Keith B. Edquist was a Director of First United Bank of Bellevue, Nebraska and was the Chairman of the Board of Directors of Fort Calhoun State Bank, Fort Calhoun, Nebraska, both of which were merged into the Company’s subsidiary, TeamBank, N.A.
- § Keith B. Edquist served as a Director of TeamBank, N.A. from June of 1999 through 2006.

§

Keith B. Edquist was elected to the Board of Directors of the Company on June 18, 2002; he was re-elected to a second three-year term on June 21, 2005.

§ As a member of the Board of Directors, Keith B. Edquist served on committees of the Board as follows:

Year	Committee(s)
2002	Audit
2003	Audit
2004	Audit and Compensation
2005	Audit, Executive and Compensation
2006	Audit, Compensation and Nominating
2007	Nominating*

* Note--all independent Directors are members of the Nominating Committee.

The Net Income of the Company for each of the years 2002 through 2007 was:

Year	Net Income	% Growth from Prior Year
2002	\$4,706,000	33%
2003	\$3,792,000	-19%
2004	\$3,578,000	-6%
2005	\$3,970,000	11%

2006	\$3,985,000	0%
2007	\$4,137,000	4%

§ The compensation (including bonus) of Robert Weatherbie, Chairman and CEO of the Company for the years 2002 through 2007 was:

Year	Total Compensation	% Growth
2002	\$374,980	20.1%
2003	\$322,551	-14.0%
2004	\$375,191	16.30%
2005	\$484,240	29.10%
2006	\$583,182	20.40%
2007	\$568,002	-2.60%

§ Robert Weatherbie was paid the following cash bonuses:

Year	Bonus
2002	\$101,354
2003	-----
2004	-----
2005	\$75,000
2006	\$131,250
2007	\$143,063

§ At the Compensation Committee meeting held on December 20, 2005, Keith B. Edquist voted against the following actions approved by the Committee:

§ Increasing the base salary of Robert Weatherbie, Chairman and CEO, by 5%. This increase was approved pending a comprehensive contract and long-term compensation review which had been requested by Mr. Edquist; to Mr. Edquist's knowledge the review was never completed.

§ Increasing the base salary of the Company's CFO by 5% subject to a review of the CFO's contract, as requested by Mr. Edquist.

§ Granting Mr. Weatherbie, the CEO, a new three-year contract without a review of the form of the contract.

Prior to the December 20, 2005 meeting of the Compensation Committee Mr. Edquist requested from the Chairman, and then from a Company employee, a copy of articles on the duties of the Compensation Committee referred to by the Chairman in the Committee's October 2005 meeting. Copies of the requested articles were provided to Mr. Edquist only upon completion of the meeting and after all votes had been taken. The employee filed a complaint with Mr. Weatherbie regarding Mr. Edquist's demands for the materials. At the meeting Mr. Edquist also questioned the methodology employed by the Consultant retained to advise the Compensation Committee. The Consultant admitted that in one particular--the scope of employees surveyed--his survey was flawed. The Consultant "voluntarily" wrote a letter to the Chairman suggesting that Mr. Edquist be excluded from the Committee, due to what the Consultant perceived to be arrogance, lack of civility, vacillation in decision making, vulgar language and attitudes toward unrelated subject matters. "TEAM FINANCIAL, INC. needs TEAM players, in order to accomplish their mission" said the Consultant.

- § On April 12, 2006 the Board of Directors of the Company voted on nominations to the Board, notwithstanding the fact that the Committee Charter and the Rules of NASDAQ require a Nominating Committee composed solely of outside or independent Directors. The Committee members were equally divided, with no nominee receiving a majority vote of Committee members.