

TABLE TRAC INC  
Form DEF 14A  
September 21, 2018

**UNITED STATES**

**SECURITIES AND EXCHANGE COMMISSION**

**Washington, D.C. 20549**

**Schedule 14A**

**(Rule 14a-101)**

**SCHEDULE 14A INFORMATION**

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

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

Preliminary Proxy Statement

**Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**

Definitive Proxy Statement

Definitive Additional Materials

Soliciting Material Pursuant to §240.14a-12

Table Trac, Inc.

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement if other than the Registrant)

Edgar Filing: TABLE TRAC INC - Form DEF 14A

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 value of transaction 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 aggregate value of transaction:

(5) Total fee paid:

Fee paid previously with preliminary materials.

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:

**TABLE TRAC, INC.**

6101 Baker Road, Suite 206

Minnetonka, Minnesota 55345

**PROXY STATEMENT**

**2018 ANNUAL MEETING OF STOCKHOLDERS**

**to be held on October 29, 2018**

This Proxy Statement is furnished in connection with the solicitation of proxies by the Board of Directors of Table Trac, Inc. (the “Company”) for use at the 2018 Annual Meeting of Stockholders (the “Annual Meeting”) to be held at HILTON GARDEN INN, 6330 Point Chase, Eden Prairie, MN 55344, and any adjournment or postponement thereof, for the purpose of considering and taking appropriate action with respect to the following:

1. To elect directors to the Company’s Board of Directors; and
2. To ratify the appointment of Boulay P.L.L.P. as our independent registered public accounting firm for fiscal year 2018.

This Proxy Statement and the enclosed proxy card are first being mailed or given to stockholders on or about September 14, 2018.

**Note:** The Annual Meeting is being held in a new location.

**Proxies and Voting Procedures**

Only holders of record of our common stock at the close of business on September 7, 2018 (the "record date"), will be entitled to attend and vote at the Annual Meeting or any adjournments thereof. There were 4,518,602 shares of our common stock outstanding on the record date. Each share of common stock entitles the holder thereof to one vote upon each matter submitted to a vote of stockholders at the Annual Meeting. A quorum, consisting of a majority of the outstanding shares of common stock entitled to vote at the Annual Meeting, must be present in person or represented by proxy before legal action may be taken at the Annual Meeting.

Each proxy returned to the Company will be voted in accordance with the instructions indicated thereon; provided, however, that if no direction is given by a stockholder who returns a properly executed proxy, then the shares will be voted as recommended by the Company's Board of Directors. If a stockholder abstains from voting on any matter, then the abstention will be counted for purposes of determining whether a quorum is present at the Annual Meeting for the transaction of business as well as shares entitled to vote on that matter. Under the Bylaws of the Company, the affirmative vote of a majority in voting power of shares of stock present in person or represented by proxy at the Annual Meeting and entitled to vote thereon is required for ratification and approval of each proposal contained in this Proxy Statement, other than the election of directors. For the election of directors, director-nominees are approved upon their receipt of a plurality of votes cast at the meeting. Accordingly, an abstention on any matter (other than the election of directors) will have the same effect as a vote against that matter. In the case of the election of directors (who are elected by a plurality of votes cast), an abstention is the equivalent of simply not casting a vote.

A “broker non-vote” occurs when a nominee holding shares for a beneficial owner votes on one proposal, but does not vote on another proposal because the nominee does not have discretionary voting power and has not received instructions from the beneficial owner. Broker non-votes on a matter are counted as present for purposes of establishing a quorum for the Annual Meeting, but are not considered “entitled to vote” on that particular matter. Consequently, broker non-votes generally do not have the same effect as a negative vote.

Each stockholder who signs and returns a proxy card in the form enclosed with this Proxy Statement may revoke the proxy at any time prior to its use by giving notice of revocation to our Secretary in writing, in open meeting, or by executing and delivering a new proxy card to our Secretary. Unless revoked, the shares represented by each proxy card will be voted at the Annual Meeting and at any adjournments thereof. A stockholder’s mere presence at the Annual Meeting does not revoke any proxy that the stockholder has previously delivered.

Please note that if you are a beneficial owner of shares registered in the name of your broker, bank, custodian, nominee or other agent (commonly referred to as holding your shares in “street name”), you will have received a voting instruction form with these proxy materials from that organization rather than from the Company. In such a case, you should complete and mail the voting instruction form as instructed by your broker, bank, custodian, nominee or other agent to ensure that your vote is counted. Alternatively, you may vote by telephone or over the Internet as instructed by your broker, bank, custodian, nominee or other agent. If you hold your shares in street name and you wish to vote in person at the Annual Meeting, then you must obtain a legal proxy from your broker, bank, custodian, nominee or other agent. To do so, follow the instructions you received with these proxy materials, or contact your broker, bank, custodian, nominee or other agent to request a legal proxy form. You may also request a legal proxy at [www.proxyvote.com](http://www.proxyvote.com).

### **ELECTION OF DIRECTORS (Proposal One)**

The Company’s directors are elected upon a plurality of votes cast. If elected or re-elected, each nominee has consented to serve as a director of the Company, to hold office until the next annual meeting of stockholders or until his successor is elected and shall have qualified. If any director-nominee should withdraw or otherwise become unavailable for reasons not presently known, the proxies that would have otherwise been voted for that director nominee may be voted for a substitute director nominee selected by the Company’s Board of Directors.

Set forth below is information regarding the individuals nominated for election to the Board of Directors, which includes information furnished by them as to their principal occupations for the last five years, certain other directorships held by them, and their ages as of the date of this Proxy Statement:



**Chad Hoehne (age 56) - Director since 1999**

Mr. Hoehne is the President, CEO and Founder of the Company. He is responsible for leading the Company's technology initiatives. Computer Programming has been his passion since middle school. Mr. Hoehne has a BS in Business Administration and Finance from Minnesota State University. Prior to founding the Company in 1995, he worked for a Minneapolis-based electronics and software company.

**William Martinez (age 56) - New**

Mr. Martinez has been private contractor for the Department of Justice for the past two years, serving as an expert in homicide investigations and Use of Force. From 2012 to 2016, Mr. Martinez was the Assistant Chief of Police-Chief of Detectives/Major Crimes, for the city of St. Paul. Prior to that, he was the Senior Commander of St. Paul's Homicide and Robbery Unit. Bill has also been committed to numerous Community Building Initiatives over the years. In addition to his extensive experience in multiple facets of law enforcement, Bill is a skilled leader with strong communication and teaching skills and will be highly effective in developing the Company's organizational and ongoing development vision.

**Thomas J. Mertens (age 53) – New**

Mr. Mertens is a graduate of St. John's University with a degree in accounting. He became a Certified Public Accountant in 1990 and a Master Graduate of Rapport Leadership International in 2002. For the past six years, Tom has been the Chief Financial Officer for the Archdiocese of St. Paul and Minneapolis where he developed, implemented and provided oversight of processes, procedures and best practices. Tom was the CFO and Controller for Macquarie Air-Serv Holding Inc. for eight years where he provided expertise and leadership in growing the company's revenues from \$60M to \$130M mainly through acquisitions. Tom began his career as an auditor for KPMG Peat Marwick in Minneapolis. Tom is a proven leader and will bring that skill and decades of experience to the Company's Board of Directors.

***The Board of Directors recommends that stockholders vote FOR each of the above-named director-nominees.***

**Disclosure/clarification** *In December of 2017, Brian Hinchley resigned from his positions as CEO and CFO at the Company. A search committee was formed to fill the position of Chief Financial Officer. Chad Hoehne, the company founder, assumed the position of CEO. In a timely manner, the committee was most fortunate to find not only a most*

*qualified candidate, but one who was also a shareholder. In January of 2018, Mr. Randy Gilbert accepted the CFO position. That announcement and Mr. Gilbert's resume appear in the 8-K filed by the Company on January 12, 2018.*



**EXECUTIVE COMPENSATION****Summary Compensation Table**

The table below summarizes the total compensation paid or earned during the fiscal years ended December 31, 2016 and 2017.

| Name,<br>Principal<br>Position    |      | Salary    | Stock<br>Awards<br>(1) | Stock<br>Option<br>Awards | Total     |
|-----------------------------------|------|-----------|------------------------|---------------------------|-----------|
| Chad Hoehne,<br>President         | 2017 | \$269,000 | \$ 0                   | \$ 0                      | \$269,000 |
|                                   | 2016 | \$275,008 | \$ 0                   | \$ 0                      | \$275,008 |
| Robert<br>Siqueland,<br>Secretary | 2017 | 105,000   | 0                      | 0                         | 105,000   |
|                                   | 2016 | 103,600   | 0                      | 0                         | 103,600   |
| Brian Hinchley,<br>CEO / CFO      | 2017 | 177,000   | 0                      | 0                         | 177,000   |
|                                   | 2016 | 200,000   | 0                      | 0                         | 200,000   |

The amounts in this column represent the aggregate grant date fair value with respect to stock options granted in (1) the years indicated, including the incremental grant date fair value of stock options repriced during the years indicated, if any. The fair value was calculated in accordance with stock-based accounting rules (ASC 718).

We do not currently have any employment or change-in-control agreements with any named executives or any other current members of our executive management. As of the date of this Proxy Statement, we do not offer our executive employees any pension, annuity or profit - sharing plans other than insurance and the option to participate in the employee 401(K) plan. Executive compensation is subject to change from time to time concurrent with our requirements and policies as established by the Board of Directors and its Compensation Committee.

**Outstanding Equity Awards at Fiscal Year End**

The Company had no outstanding equity awards as of December 31, 2017 for any named executives.

**Director Compensation**

The table below summarizes the total compensation paid or earned during the fiscal year ended December 31, 2017 by each individual who served, or is currently serving, as a Company director during the fiscal year ended December 31, 2017.

| Name             |      | Compensation | Stock  |        |
|------------------|------|--------------|--------|--------|
|                  |      |              | Awards | Total  |
| Chad Hoehne      | 2017 | \$ 0         | \$ 0   | \$0    |
| Brian Hinchley   | 2017 | 0            | 0      | 0      |
| Steven A. Browne | 2017 | 27,600       | 0      | 27,600 |
| Louis Fornetti   | 2017 | 33,600       | 0      | 33,600 |
| Gary Loebig      | 2017 | 26,100       | 0      | 26,100 |

The amounts in this column represent the aggregate grant date fair value with respect to stock options granted in (1) the years indicated, including the incremental grant date fair value of stock options repriced during the years indicated, if any. The fair value was calculated in accordance with stock-based accounting rules (ASC 718).

## **CORPORATE GOVERNANCE MATTERS**

### **Board of Directors and Independence**

The Board of Directors has a standing Compensation Committee, Audit Committee and Compliance Committee. The Compensation Committee is composed of Messrs. Browne, Fornetti and Loebig (with Mr. Loebig serving as chairperson). The Audit Committee is composed of Messrs. Browne, Fornetti and Loebig (with Mr. Fornetti serving as chairperson). The Compliance Committee is made up of Messrs. Loebig, Randy Sayre and Chad Hoehne (with Mr. Loebig as chairperson). Each of the foregoing committees has a written charter, a copy of each of which is available at our website at [www.tabletrac.com](http://www.tabletrac.com). The composition of our Audit Committee and Compensation Committee complies with the listing requirements of The NASDAQ Marketplace Rules. The Compliance Committee complies with the rules of the Nevada Gaming Control Board.

The Board of Directors has determined that Messrs. Browne, Fornetti and Loebig are each “independent,” as such term is defined in Section 5605(a)(2) of the Nasdaq Marketplace Rules, and meet the criteria for independence set forth in Rule 10A-3(b)(1) under the Securities Exchange Act of 1934.

### **Board Leadership Structure and Risk Oversight**

Our Board of Directors is led by a Chairman of the Board who is an independent director, although all of our directors (including our independent directors) participate in board leadership. Presently, Mr. Browne serves as our Chairman of the Board. Because a majority of our directors are independent and all of the members of our board participate in leadership, we believe the leadership structure of our Board of Directors allows it to maintain oversight of our management and to carry out its roles and responsibilities on behalf of the stockholders.

Management and our Board of Directors discuss risks primarily in our board meetings. These discussions generally identify risks that are prioritized and assigned to the appropriate board committee or the full Board for oversight. Our entire Board of Directors periodically discusses our management or risks. Additional review or reporting on Company risks is conducted as needed or as requested by management, the Board of Directors, a board committee, or any single director.

### **Board Meetings**

The Board of Directors held three formal meetings during fiscal 2017 and took action by written consent in lieu of a meeting on one occasion. During fiscal 2017, the Audit Committee held four formal meetings, and the Compensation Committee and Compliance Committee each held two formal meetings. The Board of Directors attended 100% of the board meetings and meetings of committees to which they belong. Although we have no formal policy regarding directors' attendance at our annual stockholder meetings, we encourage our directors to attend those meetings. All of our directors serving on the Board of Directors at the time of our 2017 annual meeting of stockholders attended that meeting.

### **Audit Committee Financial Expert and Related Matters**

The Board of Directors has determined that at least one member of the Audit Committee, Mr. Lou Fornetti, is an “audit committee financial expert” as that term is defined in Regulation S-K promulgated under the Securities Exchange Act of 1934. Mr. Fornetti qualifies as an “independent director,” as such term is defined in Section 5605(a)(2) of the NASDAQ Listing Rules, and meets the criteria for independence set forth in Rule 10A -3(b)(1) under the Securities Exchange Act of 1934. The Board of Directors has determined each member of the Audit Committee is able to read and understand fundamental financial statements and that at least one member of the Audit Committee has past experience in finance or accounting matters.

### **Audit Committee Report**

The Audit Committee is responsible primarily for providing oversight and monitoring the preparation and review of our financial statements, which are provided to stockholders and the general public in the disclosures we file with the SEC. In addition, the Audit Committee is responsible for appointing, and reviewing the services of, our independent registered public accounting firm.

The Audit Committee does not prepare our financial statements or determine whether our financial statements are complete and accurate. Rather, our management is responsible for preparing our financial statements. Our independent registered public accountants are responsible for auditing our financial statements to ensure their completeness and accuracy.

The Audit Committee also oversees our accounting policies and the internal controls over financial reporting, which our management is responsible for establishing and maintaining and our independent registered accountants are responsible for reviewing to determine effectiveness.

In fulfilling its oversight over our independent registered public accounting firm, the Audit Committee carefully reviews the engagement of the independent registered public accounting firm, which includes, among other things, the scope of the audit; fees; the assigned partner(s) and other personnel and their industry experience; auditor independence; peer and Public Company Accounting Oversight Board (PCAOB) reviews; significant legal proceedings; previous experience with the firm’s performance; and any non-audit services performed by our independent registered public accounting firm.

The Audit Committee reviewed and discussed the audit and the audited financial statements for the year ended December 31, 2017 with management and Boulay, including a discussion related to the accounting principles used that are unique to this industry. The Audit Committee also has received and reviewed the written disclosures and the letter from Boulay required by the PCAOB regarding Boulay's communications with the Audit Committee concerning independence and has discussed with Boulay its independence. The Audit Committee also discussed with Boulay the matters required to be discussed by Auditing Standard No. 16, "Communications with Audit Committees" issued by the PCAOB. The Audit Committee meets independently with management, independently with Boulay, and also in executive session with only the Committee members present.

Based on the reviews and discussions referred to above, the Audit Committee recommended to the Board that the financial statements referred to above be included in our Annual Report on Form 10-K for the year ended December 31, 2017.

**AUDIT COMMITTEE:**

Steven A. Browne

Louis Fornetti (Chair)

Gary Loebig

**Compensation Committee**

Our Compensation Committee is charged with oversight responsibility for the adequacy and effectiveness of our executive compensation and benefit plans and is primarily responsible for all matters relating to compensation of our executive officers and the directors, the adoption of all employee compensation and employee benefit plans and the administration of such plans, including granting stock incentives or other benefits and the review and approval of disclosures regarding executive compensation included in this Proxy Statement. Our Compensation Committee has the authority to obtain advice and assistance from external legal, accounting or other advisors and has the authority to retain, terminate and approve the fees payable to any external compensation consultant to assist in the evaluation of director and senior executive compensation. Nevertheless, any services to be rendered by our independent accounting firm must be pre-approved by the Audit Committee under our policy regarding the pre-approval of such services.

**Nomination of Directors**

The Company does not have a standing nominating committee (or other committee performing similar functions). The Company does not employ any charter or other form of official written policy or guidelines for the purposes of considering director-nominees. Nevertheless, when considering director -nominees, the Company recruits and considers candidates without regard to race, color, religion, sex, ancestry, national origin or disability. Generally, the Company will consider each candidate's business and industry experience, his or her ability to act on behalf of stockholders, overall board diversity, potential concerns regarding independence or conflicts of interest and other factors relevant in evaluating director-nominees. Typically, the candidates will meet with all members of the management team. Management will also consider a candidate's personal attributes, including without limitation personal integrity, loyalty to the Company and concern for its success and welfare, willingness to apply sound and

independent business judgment, awareness of a director's vital role in the Company's good corporate citizenship and image, time available for meetings and consultation on Company matters, and willingness to assume broad fiduciary responsibility.



Our stockholders may recommend to the Board of Directors candidates to be considered for election at the Company's annual stockholders meeting. In order to make such a recommendation, a stockholder generally must submit the recommendation in writing to the Board of Directors, in care of the Company's Secretary, at the address of the Company's headquarters, at least 120 days prior to the mailing date of the previous year's annual meeting proxy statement.

### **Code of Ethics**

The Company has adopted a Code of Ethics that governs the conduct of our officers, directors and employees in order to promote honesty, integrity, loyalty and the accuracy of our financial statements.

### **Related-Party Transaction Policy**

In all cases, the Company abides by applicable state corporate law when approving all transactions, including transactions involving officers, directors or affiliates. More particularly, the Company's policy is to have any related-party transactions (*i.e.*, transactions involving a director, an officer or an affiliate of the Company) be approved solely by a majority of the disinterested and independent directors serving on the Board of Directors.

### **Stockholder Communications with Directors**

Our Board of Directors has established a means for stockholders and others to communicate with the Board of Directors. If a stockholder has a concern regarding our financial statements, accounting practices or internal controls, governance practices, business ethics or corporate conduct, the concern should be submitted in writing to Mr. Chad Hoehne, CEO, in care of our Secretary, at the address of the Company's headquarters. If a stockholder is unsure as to which category the concern relates, the stockholder may communicate it to any independent director, in care of our Secretary, at the address of the Company's headquarters. All such stockholder communications will be forwarded to the applicable director(s).

### **Compliance Committee**

Although the Company has always had a Compliance Officer, with our Nevada licensure, this element has grown increasingly more important and demanding. We not only have a Compliance Committee, but we have a Nevada consultant on the Compliance Committee who was a previous member of the Nevada Gaming Control Board (NGCB). The three-person Compliance Committee consists of an outside Board member, Chad Hoehne, CEO, and our external consultant. In addition, the company's Compliance Officer (Bob Sigveland), with 40 years' experience in this capacity, provides a report to the Compliance Committee every quarter at Compliance Committee meetings. The Compliance Officer then sends the required quarterly and annual reports to various department heads in the Nevada oversight structure to include the NGCB.

## **SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT**

The following table sets forth certain information regarding beneficial ownership of our common stock as of September 7, 2018, by (i) each person known by the Company to be the beneficial owner of more than five percent of our outstanding common stock, (ii) each current director, (iii) each executive officer of the Company and other persons identified as a named executive in the Summary Compensation Table, and (iv) all current executive officers and directors as a group.

Unless otherwise indicated, each person or entity named in the table has sole voting power and investment power with respect to the shares set forth opposite his, her or its name. Unless otherwise indicated, the address of each of the following persons is 6101 Baker Road, Suite 206, Minnetonka, Minnesota 55345.

| Name and Address                                     | Common<br>Shares<br>Beneficially<br>Owned <sup>(1)</sup> | Percentage<br>of<br>Common<br>Shares <sup>(1)</sup> |   |
|--|--|---|---|
| Chad Hoehne <sup>(2)</sup>                           | 1,306,100  | 28.90   | % |
| Robert Siqveld <sup>(3)</sup>                        | 206,500  | 4.56  | % |
| Randy Gilbert <sup>(4)</sup>                         | 25,225   | *   |   |
| Steve A. Browne <sup>(5)</sup>                       | 84,000   | 1.86  | % |
| Louis Fornetti <sup>(6)</sup>                        | 24,000   | *   |   |
| Gary Loebig <sup>(7)</sup>                           | 15,671   | *   |   |
| All directors and officers as a group <sup>(8)</sup> | 1,661,496  | 36.8  | % |
| Zeff Capital, LP <sup>(9)</sup>                      | 446,863  | 9.89  | % |

1601 Broadway, 12th floor

New York, NY 10019

\* denotes less than one percent.

(1) Beneficial ownership is determined in accordance with the rules of the SEC and includes general voting power and/or investment power with respect to securities. Under the applicable SEC rules, each person's beneficial ownership is calculated by dividing the total number of shares with respect to which they possess beneficial ownership by the total number of outstanding shares of the Company. In any case where an individual has beneficial ownership over securities that are not outstanding but that are issuable upon the exercise of options or warrants or similar rights within the next 60 days, that same number of shares is added to the denominator in the calculation described above. Because the calculation of each person's beneficial ownership set forth in the

Edgar Filing: TABLE TRAC INC - Form DEF 14A

“Percentage of Common Shares” column of the table may include shares that are not presently outstanding, the sum total of the percentages set forth in such column may exceed 100%.

(2) Mr. Hoehne is the President and a director of the Company.

(3) Mr. Siqveland is the Company’s secretary.

(4) Mr. Gilbert is the company’s CFO.

(5) Mr. Browne is a director of the Company.

(6) Mr. Fornetti is a director of the Company.

(7) Mr. Loebig is a director of the Company.

(8) Consists of six persons: Messrs. Hoehne, Siqveland, Gilbert, Browne, Fornetti and Loebig.

(9) Share figures reflected in the table are based on a January 2018 Schedule 13-G filing with the SEC made by Zeff Capital, LP (and Zeff Holding Company, LLC, and Daniel Zeff), which is the Company’s most recent and best available information relating to Zeff Capital’s ownership of Company common stock. According to the referenced filing, voting and dispositive power with respect to these shares is exercised by Zeff Capital, LP.

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

Section 16(a) of the Securities Exchange Act of 1934 requires the Company's officers, directors and persons considered to be beneficial owners of more than ten percent of a registered class of the Company's equity securities to file reports of ownership and changes in ownership with the SEC and NASDAQ. Officers, directors and greater-than-ten-percent shareholders are required by SEC regulations to furnish the Company with copies of all Section 16(a) forms they file.

Based solely on a review of the copies of such forms furnished to the Company by its officers and directors or the Company's actual knowledge of transactions involving such officers and directors, the Company believes that all such filings were filed on a timely basis for fiscal year 2017.

## **RATIFICATION OF THE APPOINTMENT**

### **OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

#### **(Proposal Two)**

Our Board of Directors is committed to the quality, integrity and transparency of the Company's financial reports. Independent auditors play an important part in our system of financial control. Our Board of Directors and its Audit Committee has appointed Boulay P.L.L.P. ("Boulay") as our independent registered public accounting firm for the fiscal year ending December 31, 2018. A representative of Boulay is expected to attend the Annual Meeting and will be available to make statements and respond to questions from stockholders.

If the stockholders do not ratify the appointment of Boulay, the Board of Directors and Audit Committee may reconsider its selection but is not required to do so. Notwithstanding the proposed ratification of the appointment of Boulay by the stockholders, the Board of Directors and Audit Committee may, in their discretion, direct the appointment of a new independent registered public accounting firm at any time during the year without notice to, or the consent of, the stockholders, if the Board of Directors or Audit Committee determines that such a change would be in the best interests of the Company.

### **Fees Billed to Company by Independent Registered Public Accounting Firm**

Edgar Filing: TABLE TRAC INC - Form DEF 14A

The following table details the fees billed to the Company by Boulay in 2017 and 2016.

|                                   | 2017      | 2016      |
|-----------------------------------|-----------|-----------|
| Audit Fees <sup>(1)</sup>         | \$92,500  | \$75,200  |
| Tax Fees <sup>(2)</sup>           | 8,750     | 6,000     |
| Audit-Related Fees <sup>(3)</sup> | 19,318    | 44,720    |
|                                   | \$120,568 | \$125,920 |

Audit Fees consist of fees for (a) professional services rendered for the audit of our consolidated annual financial statements included in our annual report, (b) review of the interim consolidated financial statements included in quarterly reports, and (c) services that are normally provided in connection with statutory and regulatory filings or engagements. Includes certain year-end audit invoices received in 2018.

(2) Tax Fees consist of fees for professional services rendered for tax compliance, tax advice and tax planning.

Audit-Related Fees consist of fees for professional services rendered that are reasonably related to the performance of the audit or review of our consolidated financial statements but not reported under the “Audit Fees” category. This (3) category may include fees related to (a) the performance of audits and attestation services not required by statute or regulations, and (b) accounting consultations about the application of generally accepted accounting principles to proposed transactions.

The Board of Directors has reviewed the services provided by Boulay during the fiscal year ended December 31, 2017, and the amounts billed for such services. After consideration, the Board of Directors has determined that the receipt of these fees by Boulay is compatible with the provision of independent audit services. The Audit Committee has discussed these services and fees with Boulay management to determine that they are appropriate under the rules and regulations concerning auditor independence promulgated by the SEC to implement the Sarbanes-Oxley Act of 2002, as well as under guidelines of the American Institute of Certified Public Accountants.

### **Pre-Approval Policy**

The Audit Committee is responsible for appointing, setting compensation for and overseeing the work of our independent registered public accounting firm. The Audit Committee has established a policy for pre-approving the services provided by our independent registered public accounting firm in accordance with the auditor-independence rules of the SEC. This policy requires the review and pre-approval by the Audit Committee (or the full Board of Directors) of all audit and permissible non-audit services provided by our independent registered public accounting firm and an annual review of the financial plan for audit fees. During fiscal 2017, 100% of the audit-related and tax services provided by our independent registered public accounting firm were pre-approved by our Audit Committee in conformity with its pre-approval policy.

To ensure that auditor independence is maintained, the Audit Committee annually pre-approves the audit services to be provided by our independent registered public accounting firm and the related estimated fees for such services, as well as the nature and extent of specific types of audit-related, tax and other non-audit services to be provided by our independent registered public accounting firm.

***The Board of Directors recommends a vote FOR the ratification of the Company’s independent registered public accounting firm.***

## **STOCKHOLDER PROPOSALS AND**

### **DISCRETIONARY PROXY VOTING AUTHORITY**

Any stockholder desiring to submit a proposal for action by the stockholders at the next annual stockholders' meeting, which will be the 2018 annual meeting, must submit that proposal in writing to the Secretary of the Company at the Company's corporate headquarters no later than May 11, 2018 to have the proposal included in the Company's proxy statement for that meeting (unless the date of the Company's 2018 annual meeting of stockholders varies more than 30 days from October 29, 2018, in which case a stockholder proposal is due a reasonable amount of time prior to when the Company begins to print and mail its proxy statement for that meeting). Due to the complexity of the respective rights of the stockholders and the Company in this area, any stockholder desiring to propose such an action is advised to consult with his or her legal counsel with respect to such rights. The Company suggests that any such proposal be submitted by certified mail, return-receipt requested.

Rule 14a-4 promulgated under the Securities Exchange Act of 1934 governs the Company's use of its discretionary proxy voting authority with respect to a stockholder proposal that the stockholder has not sought to include in the Company's proxy statement. Rule 14a-4 provides that if a proponent of a proposal fails to notify the Company at least 45 days prior to the month and day of mailing of the prior year's proxy statement, then management proxies will be allowed to use their discretionary voting authority when the proposal is raised at the meeting, without any discussion of the matter.

### **SOLICITATION**

The Company will bear the cost of preparing, assembling and mailing the proxy, Proxy Statement, Annual Report and other materials that may be sent to the stockholders in connection with this solicitation. Brokerage houses and other custodians, nominees and fiduciaries may be requested to forward soliciting material to the beneficial owners of stock, in which case they may be reimbursed by the Company for their expenses in doing so. Proxies are being solicited primarily by mail. Nevertheless, officers and employees of the Company may solicit proxies personally, by telephone, by special letter, or via the Internet.

The Board of Directors does not intend to present to the meeting any other matter not referred to above and does not presently know of any matters that may be presented to the meeting by others. If, however, other matters come before the meeting, it is the intent of the persons named in the enclosed proxy to vote the proxy in accordance with their best judgment.



By Order of the Board of Directors:

ROBERT R. SIQVELAND

*Secretary*

[This page intentionally left blank]

[This page intentionally left blank]

BR87336P-0918-NPS

**TABLE TRAC, INC. ATTN: ROBERT SIQVELAND 6101 BAKER RD ST 206 MINNETONKA, MN 55345-5959**

**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: KEEP THIS PORTION FOR YOUR RECORDS DETACH AND RETURN THIS PORTION ONLY THIS PROXY CARD IS VALID ONLY WHEN SIGNED AND DATED.**

**For Withhold For All** To withhold authority to vote for any **All All Except** individual nominee(s), mark "For All **The Board of Directors recommends you vote FOR the following:** Except" and write the number(s) of the nominee(s) on the line below. " " " **1.** Election of Directors **Nominees** 01 Chad Hoehne 02 Thomas J. Mertens 03 William Martinez **For Withhold For All** To withhold authority to vote for any **All All Except** individual nominee(s), mark "For All Except" and write the number(s) of the nominee(s) on the line below. " " " 0000386885\_1 R1.0.1.17 **The Board of Directors recommends you vote FOR the following proposal:** J. To ratify the appointment of Boulay P.L.L.P. as our independent registered public accounting firm for fiscal year 2018. **NOTE:** Such other business as may properly come before the meeting or any adjournment thereof. 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. **For Against Abstain** " " " Signature [PLEASE SIGN WITHIN BOX] Date Signature (Joint Owners) Date



**Important Notice Regarding the Availability of Proxy Materials for the Annual Meeting:** The Form 10-K, Proxy Statement are available at [www.proxyvote.com](http://www.proxyvote.com) **TABLE TRAC, INC. Annual Meeting of Shareholders October 29, 2018 10:30 AM This proxy is solicited by the Board of Directors** The shareholder(s) hereby appoint(s) Chad Hoehne and Bob Siqveland, or either of them, as proxies, each with the power to appoint his substitute, and hereby authorizes them to represent and to vote, as designated on the reverse side of this ballot, all of the shares of Common stock of TABLE TRAC, INC. that the shareholder(s) are entitled to vote at the **Annual Meeting of shareholder(s) to be held at 10:30 AM, CST on 10/29/2018. NOTE: A NEW LOCATION (Crosstown Hwy 62 & Shady Oak Rd.) HILTON GARDEN INN 6330 Point Chase Eden Prairie, MN 55344**, and any adjournment or postponement thereof. **This proxy, when properly executed, will be voted in the manner directed herein. If no such direction is made, this proxy will be voted in accordance with the Board of Directors' recommendations.** 0000386885\_1 R1.0.1.17 **Continued and to be signed on reverse side**