

STAG Industrial, Inc.  
Form PRE 14A  
March 09, 2018  
[Table of Contents](#)

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

**SCHEDULE 14A**

**Proxy Statement Pursuant to Section 14(a) of  
the Securities Exchange Act of 1934 (Amendment No. )**

Filed by the Registrant  X

Filed by a Party other than the Registrant  O

Check the appropriate box:

- x Preliminary Proxy Statement
- o **Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**
- o Definitive Proxy Statement
- o Definitive Additional Materials
- o Soliciting Material under §240.14a-12

**STAG Industrial, 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):

- x No fee required.
- o 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:
- o Fee paid previously with preliminary materials.
- o

## Edgar Filing: STAG Industrial, Inc. - Form PRE 14A

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 of Contents

---

**NOTICE OF ANNUAL MEETING OF STOCKHOLDERS**

**TO BE HELD ON APRIL 30, 2018**

---

To our stockholders:

You are cordially invited to attend the 2018 annual meeting of the stockholders of STAG Industrial, Inc., a Maryland corporation, at the offices of DLA Piper LLP (US) at 33 Arch Street, 26th Floor, in Boston, Massachusetts, on April 30, 2018, at 1:30 p.m., local time. At the meeting, stockholders will consider and vote on the following matters:

1. the election of seven directors to hold office until our 2019 annual meeting of stockholders and until their successors are duly elected and qualified;
2. the ratification of the appointment of PricewaterhouseCoopers LLP as our independent registered public accounting firm for the year ending December 31, 2018;
3. the approval of an amendment to our charter to provide stockholders with the ability to alter, amend or repeal our bylaws and adopt new bylaws;
4. the approval of the amended and restated STAG Industrial, Inc. 2011 Equity Incentive Plan;
5. the approval, by non-binding vote, of our executive compensation; and

6. the recommendation, by non-binding vote, of the frequency of executive compensation votes.

In addition, stockholders will consider and vote on such other business as may properly come before the annual meeting, including any adjournments or postponements of the meeting.

If you own shares of our common stock as of the close of business on March 12, 2018, you can vote those shares by proxy or at the meeting. Pursuant to rules promulgated by the Securities and Exchange Commission, we are providing access to our proxy materials over the internet. On or about March 12, 2018, we expect to mail our stockholders either (i) a copy of this proxy statement, the accompanying proxy card, our annual report and the notice of internet availability of proxy materials (the "Notice") or (ii) the Notice only, each in connection with the solicitation of proxies by the board of directors for use at the annual meeting and any adjournments or postponements thereof. If you received only the Notice by mail, you will not receive a printed copy of the proxy materials other than as described herein. The Notice contains instructions for your use of this process, including how to access our proxy statement and annual report over the internet, how to authorize your proxy to vote online and how to request a paper copy of the proxy statement and annual report.

If you are unable to attend the meeting in person, it is very important that your shares be represented and voted at the annual meeting. You may authorize your proxy to vote your shares over the internet as described in the Notice. Alternatively, if you received a paper copy of the proxy card by mail, please complete, date, sign and promptly return the proxy card in the self-addressed stamped envelope provided. You also may vote by telephone as described in your proxy card. If you vote your shares over the internet, by mail or by telephone before the annual meeting, you may nevertheless revoke your proxy and cast your vote personally at the meeting.

By order of the board of directors:

**JEFFREY M. SULLIVAN**  
*Executive Vice President, General Counsel and Secretary*

Boston, Massachusetts

March 12, 2018

---

Table of Contents

TABLE OF CONTENTS

	Page
<u>Questions and Answers</u>	1
<u>Proposal 1: Election of Directors</u>	7
<u>Board of Directors and its Committees</u>	14
<u>Corporate Governance Principles and Board Matters</u>	19
<u>Executive Officer Compensation Discussion and Analysis</u>	25
<u>Executive Officer Compensation Tables</u>	38
<u>Potential Payments Upon Termination or Change in Control</u>	44
<u>Compensation Committee Report</u>	48
<u>Audit Committee Report</u>	49
<u>Proposal 2: Ratification of Appointment of Independent Registered Public Accounting Firm</u>	50
<u>Proposal 3: Amendment to Charter to Provide Stockholders with Ability to Amend Our Bylaws</u>	52
<u>Proposal 4: Amended and Restated STAG Industrial, Inc. 2011 Equity Incentive Plan</u>	53
<u>Proposal 5: Advisory (Non-Binding) Vote on Executive Compensation</u>	58
<u>Proposal 6: Advisory (Non-Binding) Vote of Frequency of Executive Compensation Votes</u>	60
<u>Security Ownership of Certain Beneficial Owners and Management</u>	61
<u>Certain Relationships and Related Transactions</u>	63
<u>Other Matters</u>	63
<u>Appendix A: Non-GAAP Financial Measures</u>	A-1
<u>Appendix B: STAG Industrial, Inc. Articles of Amendment</u>	B-1
<u>Appendix C: Amended and Restated STAG Industrial, Inc. 2011 Equity Incentive Plan</u>	C-1

---

Table of Contents

**STAG INDUSTRIAL, INC.**

**One Federal Street, 23rd Floor**

**Boston, Massachusetts 02110**

---

**2018 ANNUAL MEETING OF STOCKHOLDERS**

**PROXY STATEMENT**

---

**QUESTIONS AND ANSWERS**

***Q: Why did I receive a notice of internet availability of proxy materials?***

**A:** The board of directors is soliciting proxies to be voted at our annual meeting. The annual meeting will be held at the offices of DLA Piper LLP (US) at 33 Arch Street, 26th Floor, in Boston, Massachusetts, on Monday, April 30, 2018, at 1:30 p.m., local time. Pursuant to rules promulgated by the Securities and Exchange Commission ( SEC ), we are providing access to our proxy materials over the internet. On or about March , 2018, we are mailing to our stockholders of record on March 12, 2018, either (i) a copy of this proxy statement, the accompanying proxy card, our annual report and the notice of internet availability of proxy materials (the Notice ), or (ii) the Notice only. The Notice and this proxy statement summarize the information you need to know in order to vote by proxy or in person at the annual meeting. You do not need to attend the annual meeting in person in order to vote.

***Q: When was the Notice mailed?***

**A:** The Notice was mailed to stockholders beginning on or about March , 2018.

***Q: Who is entitled to vote?***

A: All common stockholders of record as of the close of business on March 12, 2018, the record date, are entitled to vote at the annual meeting.

**Q: *What is the quorum for the meeting?***

A: A quorum at the annual meeting will consist of a majority of the votes entitled to be cast by the holders of all shares of common stock outstanding. No business may be conducted at the meeting if a quorum is not present. As of the record date, \_\_\_\_\_ shares of common stock were issued and outstanding. If less than a majority of outstanding shares entitled to vote are represented at the annual meeting, the chairman of the meeting may adjourn the annual meeting to another date, time or place, not later than 120 days after the original record date of March 12, 2018. Notice need not be given of the new date, time or place if announced at the meeting before an adjournment is taken.

**Q: *How many votes do I have?***

A: You are entitled to one vote for each whole share of common stock you held as of the record date. Our stockholders do not have the right to cumulate their votes for directors.

**Q: *What is the difference between holding shares as a stockholder of record and as a beneficial owner?***

A: If your shares are registered in your name with our transfer agent, Continental Stock Transfer & Trust Company, LLC, you are the stockholder of record of those shares.

Table of Contents

If your shares are held in a stock brokerage account or by a bank or other holder of record, you are considered the beneficial owner of those shares. The Notice and proxy statement and any accompanying documents have been forwarded to you by your broker, bank or other holder of record. As the beneficial owner, you have the right to direct your broker, bank or other holder of record how to vote your shares by using the voting instruction card or by following their instructions for voting by telephone or on the internet.

**Q:                    *How do I vote?***

A:                    Whether or not you plan to attend the annual meeting, we urge you to authorize your proxy to vote your shares over the internet as described in the Notice. Alternatively, if you received a paper copy of the proxy card by mail, please complete, date, sign and promptly return the proxy card in the self-addressed stamped envelope provided. You also may authorize your proxy to vote your shares by telephone as described in your proxy card. Authorizing your proxy over the internet, by mailing a proxy card or by telephone, will not limit your right to attend the annual meeting and vote your shares in person. Your proxy (the individual named in your proxy card) will vote your shares per your instructions.

**Q:                    *How do I vote my shares that are held by my broker?***

A:                    If you have shares held by a broker, you may instruct your broker to vote your shares by following the instructions that the broker provides to you. Most brokers allow you to authorize your proxy by mail, telephone and on the internet. If you have shares held by a broker, you must obtain a written proxy executed in your favor, from the broker holding your shares in order to vote your shares in person at the annual meeting.

**Q:                    *What am I voting on?***

A:                    You will be voting on:

- Proposal 1: the election of seven directors to hold office until our 2019 annual meeting of stockholders and until their successors are duly elected and qualified;
  
- Proposal 2: the ratification of the appointment of PricewaterhouseCoopers LLP to act as our independent registered public accounting firm for year ending December 31, 2018;



- Proposal 3: the approval of an amendment to our charter to provide stockholders with the ability to alter, amend or repeal our bylaws and adopt new bylaws;
- Proposal 4: the approval of the amended and restated STAG Industrial, Inc. 2011 Equity Incentive Plan (the Amended 2011 Plan );
- Proposal 5: the approval, by non-binding vote, of our executive compensation; and
- Proposal 6: the recommendation, by non-binding vote, of the frequency of executive compensation votes.

In addition, you will be voting on such other business as may properly come before the annual meeting, including any adjournments or postponements thereof.

Table of Contents

***Q: What vote is required to approve the proposals assuming that a quorum is present at the annual meeting?***

- A:
- Proposal 1: The election of the director nominees must be approved by a majority of the votes cast.
  - Proposal 2: The ratification of the appointment of the independent registered public accounting firm requires a majority of the votes cast.
  - Proposal 3: The approval of the amendment to our charter to provide stockholders with the ability to alter, amend or repeal our bylaws and adopt new bylaws requires an affirmative vote of a majority vote of all of the votes entitled to be cast on the matter (that is, a majority of our outstanding shares of common stock).
  - Proposal 4: The approval of the Amended 2011 Plan requires an affirmative vote of a majority of all of the votes cast.
  - Proposal 5: The advisory vote approving executive compensation requires a majority of the votes cast.
  - Proposal 6: The advisory vote on the frequency of the vote on executive compensation receiving the greatest number of votes (every one, two or three years) will be considered the frequency recommended by the stockholders.

***Q: How are abstentions and broker non-votes treated?***

A: If you are a beneficial owner whose shares are held of record by a broker, you must instruct the broker how to vote your shares. A broker non-vote occurs when a bank, broker or other holder of record holding shares for a beneficial owner does not vote on a particular proposal because that holder does not have discretionary voting power for that particular item (such as the election of directors and the approval of our executive compensation) and has not received instructions from the beneficial owner.

If you are a beneficial owner whose shares are held of record by a broker, your broker has discretionary voting authority under New York Stock Exchange ( NYSE ) rules to vote your shares on the ratification of PricewaterhouseCoopers LLP as our independent registered public accounting firm even if the broker does not receive voting instructions from you. However, your broker does not have discretionary authority to vote on the election of directors, the approval of the amendment to our charter, the approval of the Amended 2011 Plan, the advisory vote approving our executive compensation or the advisory vote on the frequency of the vote on our executive compensation, in which case a broker non-vote will occur and your shares will not be voted on these matters.

Pursuant to Maryland law, abstentions and broker non-votes are counted as present for purposes of determining the presence of a quorum.

For purposes of the election of directors and the votes on Proposal 5 and Proposal 6, abstentions and broker non-votes will not be counted as votes cast and will have no effect on the result of the vote.

## Edgar Filing: STAG Industrial, Inc. - Form PRE 14A

For purposes of the vote on Proposal 2, abstentions will not be counted as votes cast and will have no effect on the result of the vote.

For purposes of the vote on Proposal 3, abstentions and broker-non-votes will have the same effect as votes cast against the proposal.

For purposes of the vote on Proposal 4, abstentions will have the same effect as votes against the proposal and broker non-votes will not be counted as votes cast and will have no effect on the result of the vote.

Table of Contents

**Important:** *Beneficial owners of shares held in broker accounts are advised that if they do not provide timely instructions to their broker, pursuant to NYSE Rule 452, their shares will not be voted in connection with the election of directors, the proposal on the charter amendment, the proposal on the Amended 2011 Plan or the proposals related to our executive compensation. Accordingly, it is particularly important that beneficial owners instruct their brokers how they wish to vote their shares.*

**Q:** *Will there be any other items of business on the agenda?*

**A:** The board of directors does not know of any other matters that may be brought before the annual meeting nor does it foresee or have reason to believe that proxy holders will have to vote for substitute or alternate nominees for election to the board of directors. If any other matter should come before the annual meeting or any nominee is not available for election, the persons named in the enclosed proxy will have discretionary authority to vote all proxies with respect to such matters in accordance with their discretion.

**Q:** *What happens if I submit my proxy without providing voting instructions on all proposals?*

**A:** Proxies properly submitted via the internet, mail or telephone will be voted at the annual meeting in accordance with your directions. If the properly-submitted proxy does not provide voting instructions on a proposal, the proxy will be voted as follows:

- if you are a stockholder of record, to elect (FOR) each of the director nominees listed in Proposal 1 Election of Directors; if you are a beneficial owner whose shares are held of record by a broker, a broker non-vote will occur;
  
- if you are a stockholder of record or if you are a beneficial owner whose shares are held of record by a broker, in favor of (FOR) Proposal 2 Ratification of Appointment of Independent Registered Public Accounting Firm;
  
- if you are a stockholder of record, in favor of (FOR) Proposal 3 Amendment to Charter to Provide Stockholders with the Ability to Amend our Bylaws; if you are a beneficial owner whose shares are held of record by a broker, a broker non-vote will occur;
  
- if you are a stockholder of record, in favor of (FOR) Proposal 4 Amended and Restated STAG Industrial, Inc. 2011 Equity Incentive Plan; if you are a beneficial owner whose shares are held of record by a broker, a broker non-vote will occur;

- if you are a stockholder of record, in favor of (FOR) Proposal 5 Advisory (Non-Binding) Vote Approving Executive Compensation; if you are a beneficial owner whose shares are held of record by a broker, a broker non-vote will occur; and

- if you are a stockholder of record, in favor of (FOR) an advisory vote on executive compensation every year (box 1 YEAR on the proxy card) under Proposal 6 Advisory (Non-Binding) Vote on Frequency of Executive Compensation Votes if you are a beneficial owner whose shares are held of record by a broker, a broker non-vote will occur.

**Q:** *Will anyone contact me regarding this vote?*

**A:** No arrangements or contracts have been made with any solicitors as of the date of this proxy statement, although we reserve the right to engage solicitors at any time if we deem them necessary. Such solicitations may be made by mail, telephone, facsimile, e-mail or personal interviews.

**Q:** *Who has paid for this proxy solicitation?*

**A:** We have paid the entire expense of preparing, printing and mailing the Notice and, to the extent requested by our stockholders, the proxy materials and any additional materials furnished to stockholders. Proxies

Table of Contents

may be solicited by our directors, officers or employees personally or by telephone without additional compensation for such activities. We also will request persons, firms and corporations holding shares in their names or in the names of their nominees, which are beneficially owned by others, to send appropriate solicitation materials to such beneficial owners. We will reimburse such holders for their reasonable expenses.

**Q:** *May stockholders ask questions at the annual meeting?*

**A:** Yes. There will be time allotted at the end of the meeting when our representatives will answer questions from the floor.

**Q:** *How many copies should I receive if I share an address with another stockholder?*

The SEC has adopted rules that permit companies and intermediaries, such as a broker, bank or other agent, to implement a delivery procedure called householding. Under this procedure, multiple stockholders who reside at the same address may receive a single copy of our proxy materials, unless the affected stockholder has provided us with contrary instructions. This procedure provides extra convenience for stockholders and cost savings for companies.

Our company and some brokers, banks or other agents may be householding our proxy materials. A single Notice and, if applicable, a single set of our proxy materials, including this proxy statement, the accompanying proxy card, our annual report and the Notice, will be delivered to multiple stockholders sharing an address unless contrary instructions have been received from the affected stockholders. Once you have received notice from your broker, bank or other agent that it will be householding communications to your address, householding will continue until you are notified otherwise or until you revoke your consent. If you did not respond that you did not want to participate in householding, you were deemed to have consented to the process. Stockholders may revoke their consent at any time by contacting Broadridge ICS, either by calling toll-free (800) 542-1061 or by writing to Broadridge ICS, Household Department, 51 Mercedes Way, Edgewood, New York, 11717.

Upon written or oral request, we will promptly deliver a separate copy of the Notice and, if applicable, a single set of our proxy materials, to any stockholder at a shared address to which a single copy of any of those documents was delivered. To receive a separate copy of the Notice and, if applicable, our proxy materials, you may send a written request to STAG Industrial, Inc., One Federal Street, 23rd Floor, Boston, Massachusetts, 02110, Attention: Jeffrey M. Sullivan, Corporate Secretary. In addition, if you are receiving multiple copies of the Notice and, if applicable, our proxy materials, you can request householding by contacting our Corporate Secretary in the same manner.

**Q:** *What does it mean if I receive more than one Notice?*

**A:** It means that you have multiple accounts at the transfer agent or with brokers. Please submit all of your proxies over the internet, following the instructions provided in the Notice, by mail or by telephone to ensure that all of your shares are voted.

**Q:** *Can I change my vote after I have voted?*

A: Yes. Proxies properly submitted over the internet, by mail or by telephone do not preclude a stockholder from voting in person at the meeting. A stockholder may revoke a proxy at any time prior to its exercise by filing with our corporate secretary a duly executed revocation of proxy, by properly submitting, either by internet, mail or telephone, a proxy bearing a later date or by appearing at the meeting and voting in person. Attendance at the meeting will not by itself constitute revocation of a proxy. If you have shares held by a broker, you must obtain a written proxy executed in your favor, from the broker holding your shares in order to vote your shares in person at the annual meeting.

Table of Contents

**Q:** *Can I find additional information on the company's website?*

**A:** Yes. Our website is *www.stagindustrial.com*. You can view additional information on the website, such as our corporate governance guidelines, our code of business conduct and ethics, our stock ownership guidelines, charters of our board committees and reports that we file with the SEC. However, the information located on, or accessible from, our website is not, and should not be deemed to be, part of this proxy statement or incorporated into any other filing that we submit to the SEC.

A copy of our corporate governance guidelines, our code of business conduct and ethics, our stock ownership guidelines and each of the charters of our board committees also may be obtained free of charge by writing to STAG Industrial, Inc., One Federal Street, 23rd Floor, Boston, Massachusetts, 02110, Attention: Jeffrey M. Sullivan, Corporate Secretary.



Table of Contents

**PROPOSAL 1:**

**ELECTION OF DIRECTORS**

The board of directors currently consists of seven members with directors serving one-year terms and until their successors are duly elected and qualified. The term for each director expires at each annual meeting of stockholders. At the 2018 annual meeting, seven directors will be elected to serve until the 2019 annual meeting and until their successors are duly elected and qualified. The board of directors has nominated the following current directors (the Nominees ) to serve as directors: Benjamin S. Butcher, Virgis W. Colbert, Jeffrey D. Furber, Larry T. Guillemette, Francis X. Jacoby III, Christopher P. Marr and Hans S. Weger. The board of directors anticipates that each Nominee will serve, if elected, as a director. However, if anyone nominated by the board of directors is unable to accept election, the proxies will be voted for the election of such other person or persons as the board of directors may recommend.

**Vote Required**

The affirmative vote of a majority of all of the votes cast at a meeting at which a quorum is present is required for the election of the Nominees. For purposes of the election of directors, abstentions and broker non-votes will not be counted as votes cast and will have no effect on the result of the vote.

**Recommendation**

**The board of directors recommends a vote FOR each Nominee.**

**Snapshot of Board Composition**

The table below presents a snapshot of the expected composition of the board of directors.

Total number of directors	7
Percentage of independent directors	86%
Average age of independent directors	60
Average tenure of directors (years)	6.3
Lead independent director	Yes
Percentage of directors with CEO experience	50%
Percentage of directors with CFO experience	50%
Percentage of audit committee members designated as audit committee financial experts	100%



Table of Contents**Director Nominees for Election to Term Expiring 2019**

The following tables and biographical descriptions set forth certain information with respect to each Nominee, including the specific experience, qualifications, attributes and skills that led to the conclusion by the board that such person should continue to serve as a director.

<b>Director Nominees</b>	<b>Age</b>	<b>Principal Occupation</b>	<b>Director Since</b>
Benjamin S. Butcher	64	Chief Executive Officer, President and Chairman	2010
Virgis W. Colbert	78	Former Executive Vice President of Miller Brewing Company	2014
Jeffrey D. Furber	59	Chief Executive Officer of AEW Capital Management	2011
Larry T. Guillemette	62	Former Chairman, Chief Executive Officer and President of Amtrol	2011
Francis X. Jacoby III	56	Chief Financial Officer of Leggat McCall Properties, LLC	2011
Christopher P. Marr	53	Chief Executive Officer and Trustee of CubeSmart	2012
Hans S. Weger	54	Former Chief Financial Officer of Focus Brands Inc.	2011

**Director Qualifications**

	<b>Butcher</b>	<b>Colbert</b>	<b>Furber</b>	<b>Guillemette</b>	<b>Jacoby</b>	<b>Marr</b>	<b>Weger</b>
Real estate / development / finance	ü		ü		ü	ü	ü
Industrial operations	ü	ü		ü			
Logistics / supply chain management	ü	ü					
CEO / senior public company executive	ü	ü	ü	ü		ü	ü
Strategic planning	ü	ü	ü	ü	ü	ü	ü
Finance / accounting				ü	ü	ü	ü
Risk management	ü	ü	ü	ü		ü	ü

Table of Contents

**Director Nominees**

**Benjamin S. Butcher**

*Chief Executive Officer,  
President and Chairman of the  
Board*

Mr. Butcher has served as our chief executive officer, president and chairman of the board of directors since 2010. Prior to the formation of our company, Mr. Butcher oversaw the growth of our predecessor business, serving as a member of the board of managers of STAG Capital Partners, LLC, STAG Capital Partners III, LLC, and their affiliates from 2003 to 2011. From 1999 to 2003, Mr. Butcher was engaged as a private equity investor in real estate and technology. From 1997 to 1998, Mr. Butcher served as a director at Credit Suisse First Boston, where he sourced and executed transactions for the principal transactions group (real estate debt and equity). Prior to that, he served as a director at Nomura Asset Capital from 1993 to 1997, where he focused on marketing and business development for its commercial mortgage-backed securities group. Mr. Butcher serves as a member of the board of trustees and a member of the nominating and corporate governance committee and compensation committee of Washington Real Estate Investment Trust (NYSE:WRE), an owner of office, multi-family and retail properties in the greater Washington, D.C. metropolitan area. Mr. Butcher holds a Bachelor of Arts degree from Bowdoin College and a Master of Business Administration degree from the Tuck School of Business at Dartmouth. In light of his extensive company-specific operational, finance and market experience, his leadership abilities, and his expertise in the acquisition, ownership and management of single-tenant industrial properties, the board of directors believes that it is in the best interests of our company and our stockholders for Mr. Butcher to continue to serve as a director on the board of directors, subject to stockholder approval at the annual meeting.

*Committees:*

- *Investment  
(Chair)*

**Virgis W. Colbert**

*Independent Director*

Mr. Colbert served in a variety of key leadership positions with Miller Brewing Company from 1979 until his retirement in 2005, including executive vice president of worldwide operations from 1997 to 2005 and senior vice president of operations from 1993 to 1997. As executive vice president, Mr. Colbert was responsible for plant operations, international operations, brewing, research and quality assurance, engineering, procurement, order production/planning and logistics. Since his retirement, he continues to serve as a senior advisor to MillerCoors LLC. In addition, Mr. Colbert currently serves on the board, including the audit committee thereof, of New Senior Investment Group Inc. (NYSE: SNR), a senior housing real estate investment trust, and on the boards of The Nasdaq Stock Market LLC and several affiliates. Mr. Colbert also serves on the board of the Hutchins Center for African & African American Research at Harvard University (since 2013). He previously served on the boards of Lorillard, Inc. from 2008 to 2015 (including as lead director from 2013 to 2015), The Hillshire Brands Company (formerly known as Sara Lee Corporation) from 2006 to 2013, Bank of America Corp. (NYSE:BAC) from 2008 to 2013, Merrill Lynch & Co., Inc. from 2006 to 2008, Stanley Black & Decker from 2003 to 2012 and The Manitowoc Company, Inc. from 2002 to 2012. He is the former chairman and current chairman emeritus of the board for the Thurgood Marshall College Fund, and the former chairman of the board for Fisk University. Mr. Colbert received Honorary Doctor of Humane Letters degrees from Fisk University in 2005 and from Kentucky State University in 2001. He holds a Bachelor of Science degree from Central Michigan University. In light of his extensive public company board and corporate governance experience and his significant operational experience including addressing logistics, plant operations and other issues common to our tenants, the board of directors believes that it is in the best interests of our company and our stockholders for Mr. Colbert to continue to serve as a director on the board of directors, subject to stockholder approval at the annual meeting.

*Committees:*

- *Compensation*
- *Nominating and  
Corporate Governance*

Table of Contents

**Jeffrey D. Furber**

Mr. Furber serves as the chief executive officer of AEW Capital Management ( AEW ), a real estate investment management company, and the chairman of AEW Europe, where he has oversight responsibility for all of AEW s operating business units in the United States, Europe and Asia. Mr. Furber also chairs AEW s management committee, which is responsible for the firm s strategic direction and for managing the firm s resources, and is a member of the firm s investment committees and investment policy group. Prior to joining AEW in 1997, Mr. Furber served as managing director of Winthrop Financial Associates, a wholly-owned subsidiary of Apollo Advisors, and served as president of Winthrop Management. In these capacities, he was responsible for acquisitions, asset management and capital markets activity, including the sourcing of equity and mezzanine debt investments. In addition, Mr. Furber currently serves on the board of The Howard Hughes Corporation (NYSE: HHC). Mr. Furber holds a Bachelor of Arts degree from Dartmouth College and a Master of Business Administration degree from Harvard Business School. In light of his significant leadership, corporate governance, capital markets and real estate industry experience, the board of directors believes that it is in the best interests of our company and our stockholders for Mr. Furber to continue to serve as a director on the board of directors, subject to stockholder approval at the annual meeting.

*Independent Director*

*Committees:*

- *Compensation (Chair)*

- *Investment*

**Larry T. Guillemette**

Mr. Guillemette served as chairman of the board of directors, chief executive officer and president of Amtrol Inc., a multi-national pressure vessel manufacturer ( Amtrol ), from 2006 to 2017. Mr. Guillemette also served as executive vice president and chief financial officer of Amtrol from 2000 to 2006 and as executive vice president of marketing and business development from 1998 to 2000. Prior to joining Amtrol, Mr. Guillemette served as chief executive officer and president of Balcrank Products, Inc., a manufacturer of lubrication equipment for the automotive service market and other industrial product lines from 1991 to 1998. From 1990 to 1991, he served as senior vice president and senior financial officer of The O Connor Group, a real estate investment, management and development firm. Prior to that, from 1986 to 1990, Mr. Guillemette served as a vice president for Hampton Partners/G.M. Cypres & Co., Inc., an investment banking partnership. From 1979 to 1986, Mr. Guillemette served in various management positions with units of the Henley Group and its predecessors, including Allied-Signal, The Signal Companies and Wheelabrator-Frye. Mr. Guillemette holds a Bachelor of Arts degree from Dartmouth College and a Master of Business Administration degree from the Tuck School of Business at Dartmouth. In light of his extensive leadership experience through his senior officer and director positions and his accounting and real estate experience, the board of directors believes that it is in the best interests of our company and our stockholders for Mr. Guillemette to continue to serve as a director on the board of directors, subject to stockholder approval at the annual meeting.

*Lead Independent Director*

*Committees:*

- *Audit*

- *Compensation*

Table of Contents

**Francis X. Jacoby III**

*Independent Director*

*Committees:*

- *Audit*
- *Investment*

- *Nominating and Corporate Governance*

Since 2016, and from 1995 to 2001, Mr. Jacoby has served as executive vice president and chief financial officer of Leggat McCall Properties, LLC, a real estate development company. From 2013 to 2016, Mr. Jacoby served as an independent consultant providing real estate finance, development and disposition related services. From 2008 to 2013, he served as president of Kensington Investment Company, Inc., the wealth management office for a family that owns travel-related businesses and passenger ships and makes investments in real estate, private equity and venture capital. In addition, in 2012, Mr. Jacoby served as the chief financial officer of Grand Circle Corporation, an affiliate of Kensington Investment Company, Inc. From 2001 to 2008, Mr. Jacoby served as the senior vice president and chief financial officer for GID Investment Advisers LLC, a family wealth management office whose primary focus is developing, acquiring and managing apartment communities, suburban office properties and flex industrial business parks throughout the United States for its own account and for joint ventures with institutional investors. From 1983 to 1995, Mr. Jacoby held a variety of senior management positions in the acquisitions, asset management and finance departments of Winthrop Financial Associates, a real estate investment company which owned and managed multiple property types. Mr. Jacoby holds a Bachelor of Arts degree from Dartmouth College and a Master of Business Administration degree from Boston University. In light of his extensive investment and capital markets experience and his significant financial and real estate investment experience, including structuring, negotiating and closing complex transactions, the board of directors believes that it is in the best interests of our company and our stockholders for Mr. Jacoby to continue to serve as a director on the board of directors, subject to stockholder approval at the annual meeting.

**Christopher P. Marr**

*Independent Director*

*Committees:*

- *Audit*
- *Nominating and Corporate Governance (Chair)*

Mr. Marr has served as chief executive officer and member of the board of trustees of CubeSmart (NYSE: CUBE), a real estate company that acquires, owns, operates and develops self-storage facilities in the United States, since 2014 and as president of CubeSmart since 2008. Previously, he served as chief operating officer of CubeSmart from 2012 to 2014 and as chief financial officer from June 2006 to November 2008 and as treasurer from 2006 to 2012. From 2002 to 2006, Mr. Marr served as senior vice president and chief financial officer of Brandywine Realty Trust (NYSE: BDN), an office real estate investment trust. Prior to joining Brandywine Realty Trust, Mr. Marr served as chief financial officer of Storage USA, Inc., a publicly-traded self-storage real estate investment trust, from 1998 to 2002. Mr. Marr holds a Bachelor of Arts degree from Loyola University. In light of his public company leadership, financial reporting and operations experience as the executive officer of two publicly-traded real estate investment trusts, the board of directors believes that it is in the best interests of our company and our stockholders for Mr. Marr to continue to serve as a director on the board of directors, subject to stockholder approval at the annual meeting.

Table of Contents

**Hans S. Weger**

*Independent Director*

*Committees:*

- *Audit (Chair)*
- *Compensation*
- *Investment*

Mr. Weger served as chief financial officer of Focus Brands Inc., the franchisor and operator of restaurants and cafes in the United States, Puerto Rico and 63 foreign countries, from 2014 to 2016. From 2012 to 2014, Mr. Weger served as chief financial officer of Outrigger Enterprises Group, a privately-held leisure lodging and hospitality company. From 1998 to 2011, Mr. Weger served as chief financial officer, executive vice president and treasurer of LaSalle Hotel Properties (NYSE: LHO), a real estate investment trust focused on the acquisition, ownership, redevelopment and leasing of primarily upscale and luxury full-service hotels. In addition, Mr. Weger served as secretary of LaSalle Hotel Properties from 1999 to 2011. Mr. Weger was responsible for all of the company's financial, accounting, human resources and information technology activities. Prior to joining LaSalle Hotel Properties, Mr. Weger served as vice president and treasurer for La Quinta Inns, Inc. where he was responsible for all financing activities. From 1992 until 1997, Mr. Weger served in various management roles with Harrah's Entertainment, Inc. where he was responsible for strategic planning, mergers and acquisitions and project financing. Mr. Weger holds a Bachelor of Science degree from the University of Southern Mississippi and a Master of Business Administration degree from the University of Chicago. In light of his real estate and real estate financing knowledge and his financial reporting and operations experience as the chief financial officer of a publicly-traded real estate investment trust and a privately held company, the board of directors believes that it is in the best interests of our company and our stockholders for Mr. Weger to continue to serve as a director on the board of directors, subject to stockholder approval at the annual meeting.

**Biographical Information Regarding Executive Officers Who Are Not Directors**

The biographical descriptions below set forth certain information with respect to each of our executive officers other than Mr. Butcher, whose information appears above.

**William R. Crooker**

*Executive Vice President, Chief Financial Officer and Treasurer*

Mr. Crooker has served as our chief financial officer, executive vice president and treasurer since 2016. Previously, Mr. Crooker served as our chief accounting officer from 2011 to 2016 and senior vice president of capital markets from 2015 to 2016. Prior to the formation of our company, Mr. Crooker served as chief accounting officer for STAG Capital Partners, LLC from 2010 to 2011, where he was responsible for the company's accounting, tax, and financial reporting. From 2002 to 2010, Mr. Crooker worked for KPMG LLP in its real estate practice, focusing primarily on publicly-traded real estate investment trusts. He held various positions with KPMG LLP, including most recently as senior manager. Mr. Crooker is a certified public accountant and received his Bachelor of Science degree from Bentley University.

Age: 38

**Stephen C. Mecke**

*Executive Vice President and Chief Operating Officer*

Mr. Mecke has served as our chief operating officer and executive vice president since 2011. Prior to the formation of our company, Mr. Mecke served as chief investment officer for STAG Capital Partners, LLC and STAG Capital Partners III, LLC from 2004 to 2011, where he was responsible for all asset acquisition and asset management activities. Prior to joining our predecessor business, Mr. Mecke ran the acquisitions groups for MIPA, a private real estate fund that represented a large east coast endowment fund, from 2001 to 2004. Mr. Mecke also worked at Meditrust Corporation, a publicly-traded real estate investment trust, as vice president of acquisitions and various other positions from 1992 to 2000. Mr. Mecke holds a Bachelor of Arts degree from Hobart College and a Master of Business Administration degree from Northeastern University.

*Age: 55*



Table of Contents

**Jeffrey M. Sullivan**

*Executive Vice President,  
General Counsel and Secretary*

Mr. Sullivan has served as our executive vice president, general counsel and secretary since 2015. From 2012 to 2014, Mr. Sullivan was a partner in the corporate group of Hunton & Williams LLP, and from 2005 to 2012, Mr. Sullivan was a partner in the finance group of DLA Piper LLP (US). Before joining DLA Piper LLP (US), Mr. Sullivan was an associate and then partner in the corporate transactions and securities group of Alston & Bird LLP from 1998 to 2005. While in private practice, Mr. Sullivan focused on securities law, mergers and acquisitions, corporate governance matters and general corporate law, primarily involving real estate investment trusts and other real estate companies, private equity funds and underwriters. Mr. Sullivan holds a Bachelor of Arts degree from University of North Carolina at Chapel Hill and a Juris Doctor degree from Vanderbilt University Law School.

*Age: 49*

**David G. King**

*Executive Vice President and  
Director of Real Estate  
Operations*

Mr. King has served as our executive vice president and director of real estate operations since 2011. Prior to the formation of our company, Mr. King served as a managing director for STAG Capital Partners, LLC and STAG Capital Partners III, LLC from 2005 to 2011, where he was responsible for portfolio management for the company. From 1997 to 2005, Mr. King worked for AMB Property Corporation, a publicly-traded real estate investment trust, as regional management officer, where he had primary responsibility for leasing, management, development, acquisition sourcing and dispositions of the firm's industrial and office portfolios in the Mid-Atlantic region and in various other positions. Mr. King holds a Bachelor of Arts degree from the University of Vermont and a Master of Public Administration degree from Indiana University.

*Age: 50*

**Peter S. Fearey**

*Executive Vice President and  
Chief Technology Officer*

Mr. Fearey has served as our executive vice president and chief technology officer since 2016. From 2015 to 2016, Mr. Fearey served as our vice president and then senior vice president of information technology. From 2014 to 2015, Mr. Fearey was an independent contractor for the company, advising on and building custom business applications. From 2010 until 2014, Mr. Fearey served as director of technology and then director of innovation for Fay School, a private school in Massachusetts. From 2003 until 2010, Mr. Fearey worked for Intuit Inc., the maker of Quicken, TurboTax and QuickBooks, as an engineering manager and then as a business leader directing a team of sales, marketing and support professionals focused on Intuit's QuickBase product. From 1991 until 2003, Mr. Fearey worked in a variety of positions at different technology companies, including as a quality assurance manager at Apple Computer, Inc. Mr. Fearey holds a Bachelor of Science degree from Dartmouth College.

*Age: 49*

Table of Contents

**BOARD OF DIRECTORS AND ITS COMMITTEES**

**Board of Directors**

Our business is managed through the oversight and direction of the board of directors. A majority of the board of directors is independent, as determined by the board of directors, consistent with the rules of the NYSE. The one member of the board of directors who is not independent is our chief executive officer and president.

**Board Meetings and Executive Sessions**

Our directors stay informed about our business by attending meetings of the board of directors and its committees and through supplemental reports and communications. In 2017, the board of directors held five meetings and each director attended at least 75% of the aggregate of the board meetings and his or her respective committee meetings. The board of directors does not have a policy with respect to directors' attendance at annual meetings of stockholders. Nevertheless, all of our directors attended the 2017 annual meeting of stockholders.

As required by the NYSE rules, the independent directors of our board regularly meet in executive session, without the presence of management or non-independent directors. Generally, these executive sessions follow after each quarterly meeting. In 2017, the independent directors of the board and the audit, compensation and the nominating and corporate governance committees met in executive session without management present at least four times at each quarterly meeting. Our lead independent director presides over such independent, non-management sessions of the board. Executive sessions of the audit, the compensation and the nominating and corporate governance committees are presided over by the respective chairperson of each committee.

**Director Independence**

Under the enhanced corporate governance standards of the NYSE, at least a majority of our directors, and all of the members of the audit committee, compensation committee and nominating and corporate governance committee, must meet the test of independence. The NYSE standards provide that, to qualify as an independent director, in addition to satisfying certain bright-line criteria, the board of directors must affirmatively determine that a director has no material relationship with us (either directly or as a partner, stockholder or officer of an organization that has a relationship with the company). The board of directors considered a relationship between an affiliate of the company and one of the directors and determined that the relationship does not affect the director's independence. The board of directors has affirmatively determined that each of Messrs. Colbert, Furber, Guillemette, Jacoby, Marr and Weger satisfies the bright-line independence criteria of the NYSE and that none has a relationship with us that would interfere with such person's ability to exercise independent judgment as a member of the board of directors. Therefore, we believe that all of these directors, who constitute a majority of the board of directors, are independent under the NYSE rules.

We have implemented procedures for interested parties, including stockholders, to communicate directly with our independent directors. We believe that providing a method for interested parties to communicate directly with our independent directors, rather than with the full board of

## Edgar Filing: STAG Industrial, Inc. - Form PRE 14A

directors, would provide a more confidential, candid and efficient method of relaying any interested party's concerns or comments. See Corporate Governance Principles and Board Matters Other Corporate Governance Matters Communication with the Board of Directors, Independent Directors and the Audit Committee.

### **Board Committees**

The board of directors has established an investment committee, an audit committee, a compensation committee and a nominating and corporate governance committee and has adopted a written charter for each of these committees. Each of the audit committee, compensation committee and nominating and corporate governance committee is composed exclusively of independent directors, as required by and defined in the rules and listing qualifications of the NYSE and, with respect to the members of the audit committee, Rule 10A-3 promulgated pursuant to the Securities Exchange Act of 1934, as amended (the Exchange Act). Moreover, the compensation committee is composed exclusively of individuals intended to be, to the extent required by Rule 16b-3 of the

Table of Contents

Exchange Act, non-employee directors and will qualify as outside directors for purposes of Section 162(m) of the Internal Revenue Code of 1986, as amended (the Code). The board of directors may from time to time establish other committees to facilitate the management of our company. Matters put to a vote at any one of our four committees must be approved by a majority of the directors on the committee who are present at a meeting at which there is a quorum or by unanimous written consent of the directors on that committee.

Director	Investment Committee	Audit Committee	Compensation Committee	Nominating and Corporate Governance Committee
Benjamin S. Butcher	Chair			
Virgis W. Colbert			ü	ü
Jeffrey D. Furber	ü		Chair	
Larry T. Guillemette		ü	ü	
Francis X. Jacoby III	ü	ü		ü
Christopher P. Marr		ü		Chair
Hans S. Weger	ü	Chair	ü	
<b>Meetings Held in 2017</b>	<b>1</b>	<b>4</b>	<b>6</b>	<b>4</b>

*Investment Committee*

The board of directors has established an investment committee, which is composed of four of our directors, at least three of whom must be independent directors. The investment committee's primary function is to review, evaluate and ultimately vote to approve all acquisitions or dispositions individually more than \$50 million and up to \$100 million and all development and redevelopment projects with an individual cost of more than \$10 million and up to \$100 million. Proposed acquisitions, dispositions and development or redevelopment projects individually in excess of \$100 million require approval by the board of directors. The board of directors, in its discretion, may change the investment committee's authority to approve acquisitions or dispositions from time to time, including the dollar thresholds.

The investment committee has adopted a written charter which outlines certain specified responsibilities of the investment committee. A copy of the investment committee charter is available under Corporate Governance in the Investor Relations section of our website at [www.stagindustrial.com](http://www.stagindustrial.com).

*Audit Committee*

The board of directors has established an audit committee, which is composed exclusively of independent directors. Each member of the audit committee qualifies as an audit committee financial expert, as that term is defined by the SEC, and is financially literate and able to read and understand fundamental financial statements. The audit committee assists the board in overseeing, among other things:

- our system of internal controls;

- our accounting and financial reporting processes;
- the integrity and audits of our consolidated financial statements;
- our compliance with legal and regulatory requirements;
- the qualifications and independence of our independent auditors; and
- the performance of our independent auditors and any internal auditors.

Table of Contents

The audit committee also is responsible for engaging independent public accountants, reviewing with the independent certified public accountants the plans and results of the audit engagement, approving professional services provided by the independent public accountants, reviewing the independence of the independent public accountants, considering the range of audit and non-audit fees and reviewing the adequacy of our internal accounting controls. The audit committee has the power to investigate any matter brought to its attention within the scope of its duties and to retain counsel for this purpos