

UNITED BANCSHARES INC/OH
Form DEF 14A
March 13, 2017

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

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 under § 240.14a-12

United Bancshares, Inc.

(Name of Registrant as Specified in Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant): N/A

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: N/A

2) Aggregate number of securities to which transaction applies: N/A

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): N/A

4) Proposed maximum aggregate value of transaction: N/A

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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: N/A

2) Form, Schedule or Registration Statement No.: N/A

3) Filing Party: N/A

4) Date filed: N/A

UNITED BANCSHARES, INC.

100 South High Street

Columbus Grove, Ohio 45830

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS

April 26, 2017

TO THE SHAREHOLDERS OF UNITED BANCSHARES, INC.:

You are cordially invited to attend the Annual Meeting of the Shareholders of United Bancshares, Inc. to be held on April 26, 2017 at 10:30 a.m. at The Union Bank Company, 100 South High Street, Columbus Grove, Ohio, for the purpose of considering and acting on the following:

1.

Election of directors to serve until the 2018 Annual Meeting;

2.

An Amendment to the Amended and Restated Articles of Incorporation of United Bancshares, Inc. to authorize 750,000 shares of preferred stock of United Bancshares, Inc.;

3.

Ratifying the appointment of CliftonLarsonAllen LLP as the independent registered public accounting firm for the Corporation; and

4.

Transacting such other business as may properly come before the meeting or any adjournment thereof.

Shareholders of record at the close of business on March 7, 2017 will be entitled to vote at the meeting. Your vote is important. Please vote your proxy promptly so your shares can be represented, even if you plan to attend the 2017 Annual Meeting. You may submit your proxy by telephone or by Internet as described in the following materials. Additionally, prior to the meeting, the Corporation will mail a proxy statement and proxy card to shareholders. If you don't submit your proxy by telephone or by Internet, you must complete and sign the proxy card enclosed with those materials and return it in the envelope provided.

March 13, 2017

By Order of the Board of Directors

/s/ Heather M. Oatman

Heather M. Oatman, Secretary

PROXY STATEMENT

UNITED BANCSHARES, INC.

100 South High Street

Columbus Grove, Ohio 45830

ANNUAL MEETING OF SHAREHOLDERS

April 26, 2017

INTRODUCTION

We are providing these proxy materials to you in connection with the solicitation of proxies by the Board of Directors of United Bancshares, Inc. (also referred to in this Proxy Statement as “United Bancshares” or the “Corporation”), for the 2017 Annual Meeting of Shareholders to be held at 10:30 a.m. on April 26, 2017 at The Union Bank Company, 100 South High Street, Columbus Grove, Ohio (the “Annual Meeting”), or at any adjournments thereof.

The Annual Meeting has been called for the following purposes: (i) to elect the directors to serve on the Board of Directors until the 2018 Annual Meeting; (ii) to amend the Amended and Restated Articles of Incorporation of United Bancshares to authorize 750,000 shares of preferred stock of the Corporation; (iii) to ratify the appointment of CliftonLarsonAllen LLP as the independent registered public accounting firm for the Corporation; and (iv) to transact any other business that may properly come before the Annual Meeting or any adjournments thereof.

Shares of United Bancshares common stock may be voted by Internet, by telephone or by using the proxy card mailed to shareholders prior to the Annual Meeting. To vote via the Internet, go to the website www.investorvote.com/UBOH and follow the instructions. To vote via telephone, call 1-800-652-VOTE (8683) and follow the instructions. If you authorize a proxy to vote your shares over the Internet or by telephone, you should not return a proxy card by mail (unless you are revoking your proxy).

Under rules adopted by the Securities and Exchange Commission, we provide our shareholders with the choice of accessing the 2017 Annual Meeting proxy materials over the Internet, rather than receiving printed copies of those materials through the mail. In connection with this process, a Notice Regarding the Availability of Proxy Materials is being mailed to our shareholders who have not previously requested electronic access to our proxy materials or paper proxy materials. The notice contains instructions on how you may access and review our proxy materials on the Internet and how you may submit a proxy for your shares over the Internet. The notice

will also tell you how to request our proxy materials in printed form, at no charge. The notice contains a 15-digit control number that you will need to submit a proxy for your shares. Please keep the notice for your reference through the meeting date.

We anticipate that the Notice Regarding the Availability of Proxy Materials will be mailed to shareholders beginning on or about March 13, 2017.

REVOCAION OF PROXIES AND DISCRETIONARY AUTHORITY

Shares of United Bancshares, Inc. common stock can be voted at the Annual Meeting only if the shareholder is represented by proxy or is present in person. Shareholders who execute proxies retain the right to revoke them at any time prior to vote of the proxy at the Annual Meeting. Unless revoked, the shares represented by such proxies will be voted at the Annual Meeting and all adjournments thereof. Proxies may be revoked (i) by written notice to the Secretary of United Bancshares (addressed to: United Bancshares, Inc., 100 South High Street, Columbus Grove, Ohio 45830, Attention: Secretary) prior to the time the proxy is voted; (ii) by the filing of a later dated proxy prior to a vote being taken on a particular proposal at the Annual Meeting; or (iii) in open meeting at any time before the proxy is voted.

Proxies solicited by the Board of Directors will be voted in accordance with the directions given therein. Where no instructions are indicated, properly executed proxies will be voted (i) **FOR** the nominees for director set forth in this Proxy Statement, (ii) **FOR** the an amendment to the Corporation's Amended and Restated Articles of Incorporation to authorize 750,000 shares of preferred stock of the Corporation and (iii) **FOR** the ratification of the appointment of CliftonLarsonAllen LLP as the independent registered public accounting firm for the Corporation. The proxy confers discretionary authority on the proxy holder to vote with respect to (i) the election of any person as a director where the nominee is unavailable or unable to serve, (ii) matters incident to the conduct of the Annual Meeting, (iii) an adjournment of the meeting and (iv) any other business that may properly come before the meeting or any adjournments thereof.

PERSON MAKING THE SOLICITATION

The proxy is being solicited by United Bancshares and the cost of soliciting proxies will be borne by United Bancshares. Proxies may be solicited by mail, telephone, electronic mail or facsimile by directors, officers and employees of United Bancshares who will receive no compensation in addition to their regular compensation. United Bancshares may decide that it is appropriate to retain a proxy solicitation firm or agency to solicit proxies. If a proxy solicitation firm or agency is retained, United Bancshares will bear the cost.

VOTING INFORMATION

Each share of United Bancshares, Inc. common stock outstanding on March 7, 2017, the record date of the Annual Meeting, is entitled to one vote on all matters coming before the meeting. As of March 7, 2017, United Bancshares had 3,267,048 shares of common stock issued and outstanding. Only shareholders of record on the books of the Corporation on March 7, 2017 will be entitled to vote at the Annual Meeting either in person or by proxy. Pursuant to the Regulations of the Corporation, the shareholders present in person or by proxy at the Annual Meeting shall constitute a quorum.

If your shares are registered directly in your name, you are the holder of record of these shares and we are sending a Notice Regarding the Availability of Proxy Materials directly to you. As the holder of record, you have the right to submit your proxy, by telephone, by the Internet or by mail (proxy cards will be mailed on or about March 23, 2017), or to vote in person at the meeting. If you hold your shares in street name, your broker, bank, trustee, or other holder of record is sending a Notice Regarding the Availability of Proxy Materials to you. As a holder in street name, you have the right to direct your broker, bank or other nominee how to vote by submitting voting instructions in the manner directed by your bank, broker, trustee, or other nominee.

If the nominee does not receive instructions from you, the nominee will be entitled to vote the shares on certain routine items. However, the nominee is not entitled to vote the shares (absent instructions from the beneficial owner) with respect to non-routine matters, such as amendments to organizational documents, executive compensation proposals, and the election of directors. When the nominee does not receive instructions from a beneficial owner concerning a non-routine matter, over which the nominee has no voting discretion, a “broker non-vote” occurs. Shares treated as broker non-votes are included for purposes of determining whether a quorum exists, however, such shares will not be counted as being in favor of or against any proposal placed before the shareholders at the Annual Meeting.

How to Vote

The Notice Regarding the Availability of Proxy Materials that most of our shareholders will receive will have information about submitting your proxy online but is not permitted to include a telephonic voting number because that would enable a shareholder to vote without accessing the proxy materials online. The telephonic voting number will be on the website where the proxy materials can be found. For more information about submitting your proxy by telephone, please see the next two sections.

Your Vote is Important. We encourage you to submit your proxy promptly. Internet and telephone proxy submission is available through 1:00 a.m. Eastern time on Monday, April 24, 2017, for shares held in the United Bancshares, Inc. Restated Employee Stock Ownership Plan and through 1:00 a.m. Eastern time on Wednesday, April 26, 2017, for all other shares. You may submit your proxy or vote in one of the following ways:

Submit Your Proxy By Telephone. You have the option to submit your proxy by telephone. In order to submit your proxy by telephone, please go to www.investorvote.com/UBOH and log in using the 15-digit control number provided on your Notice Regarding the Availability of Proxy Materials. You will be provided with a telephone number for submitting your proxy at that site. Alternatively, if you prefer to wait for a paper copy of the proxy materials, your proxy card or voting instruction form will have a toll-free telephone number that you may use to submit your proxy. A copy of this proxy statement and a proxy card will be mailed to you on or about March 17, 2017 and March 23, 2017, respectively.

When you submit your proxy by telephone, you will be required to enter your 15-digit control number, so please have it available when you call. You may submit your proxy by telephone 24 hours a day. The telephone proxy submission system has easy-to-follow instructions and allows you to confirm that the system has properly recorded your voting instructions.

Submit Your Proxy By Internet. You may also submit your proxy by the Internet. The Notice Regarding the Availability of Proxy Materials indicates the website you may access for Internet proxy submission using the 15-digit control number included in the notice. You may submit your proxy by the Internet 24 hours a day. As with telephone proxy submission, you will be able to confirm that the system has properly recorded your voting instructions. If you hold your shares in street name, please follow the Internet proxy submission instructions in the Notice Regarding the Availability of Proxy Materials you receive from your bank, broker, trustee, or other record holder. You may incur telephone and Internet access charges if you submit your proxy by the Internet.

Submit Your Proxy By Mail. You will receive this proxy statement and a proxy card by mail approximately ten days after the Notice Regarding Availability of Proxy Materials. If you are a holder of record, you can submit your proxy by marking, dating, and signing your proxy card and returning it by mail in the postage-paid envelope provided to you. If you hold your shares in street name, you can submit your voting instructions by completing and mailing the voting instruction form provided by your bank, broker, trustee, or holder of record.

Vote at the Meeting. Submitting a proxy now will not limit your right to change your vote at the meeting, prior to the vote, if you attend in person. If you hold your shares in street name, you must obtain a proxy, executed in your favor, from the holder of record if you wish to vote your shares at the meeting in person.

All shares for which proxies have been properly submitted and not revoked will be voted as you have directed at the meeting. **If you sign and return your proxy card without voting instructions for a proposal, your shares will be voted as the Board of Directors recommends for that proposal.**

Revocation of Proxies. You can revoke your proxy at any time before your shares are voted if you: (1) submit a written revocation to our corporate secretary at the meeting; (2) submit a timely later-dated proxy or voting instruction

form if you hold shares in street name; (3) provide timely subsequent telephone or Internet voting instructions; or (4) vote in person at the meeting.

SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

Under Rule 13(d) of the Securities Exchange Act of 1934, a beneficial owner of a security is any person who directly or indirectly has or shares voting power or investment power over such security. Such beneficial owner under this definition need not enjoy the economic benefit of such securities. The shareholders identified in the following table are deemed to be beneficial owners of 5% or more of the common stock of United Bancshares as of December 31, 2016. The Corporation is not aware of any other shareholder beneficially owning 5% or more of the Corporation's common stock.

Title of Class	Name and Address of Beneficial Owner	Numbers of Shares Beneficially Owned	Percent of Class
Common	Joe S. Edwards, Jr. 2626 Shoreline Drive Lima, Ohio 45805	185,101 ⁽¹⁾	5.67
Common	Tontine Financial Partners, L.P., 1 Sound Shore Drive, Suite 304, Greenwich, Connecticut 06830	321,875 ⁽²⁾	9.82
Common	United Bancshares, Inc. Restated Employee Stock Ownership Plan, 100 South High Street Columbus Grove, Ohio 45830	337,204 ⁽³⁾	10.32

(1) Information is based on a Schedule 13G filed by Mr. Edwards on January 27, 2017 reporting that Mr. Edwards is deemed to be the beneficial owner of in excess of 5% of the outstanding common shares.

(2) Information is based on an amendment to Schedule 13G filed by Tontine Financial Partners, L.P. on February 10, 2017 reporting that it is deemed to be the beneficial owner of in excess of 5% of the outstanding common shares. Tontine Financial Partners, L.P. reported that it has shared voting power with respect to 321,875 common shares along with Tontine Management, L.L.C. and Jeffrey L. Gendell.

(3) The information regarding beneficial ownership of shares held in Trust for the benefit of the United Bancshares, Inc. Restated Employee Stock Ownership Plan (“ESOP”) is reported in a Schedule 13G filed with the SEC on February 22, 2017, by the ESOP. As of the record date, 321,793 shares have been allocated to the accounts of participating employees and 15,411 shares were unallocated. The ESOP trustees vote all allocated shares in accordance with the instructions of the participating employees. Unallocated shares and shares for which no instructions have been received are voted by the trustees in the same proportion as shares for which the trustees have received timely voting instructions. The Trustees disclaim beneficial ownership of the shares attributed to the Trustees in their capacity as Trustees of the ESOP.

The following table sets forth, as of March 7, 2017, the ownership of common stock by management of United Bancshares, including: (i) the common stock beneficially owned by each director, nominee for director and executive officer of United Bancshares; and (ii) the common stock beneficially owned by all officers, directors and nominees as a group. The number of shares listed for each person includes shares held in the name of spouses, minor children, certain relatives, trusts or estates whose share ownership under the beneficial ownership rules of the Securities and Exchange Commission (the “SEC”) is to be aggregated with that of the director or officer whose share ownership is shown.

Name	Position	Number of Shares of Common Stock Beneficially Owned	Percent of Common Stock Outstanding⁽¹⁾
Robert L. Benroth	Director	8,000 ⁽²⁾ (3)	0.24%
Daniel J. Lucke	Chief Financial Officer	1,404 (4)	0.04%
Heather M. Oatman	Secretary	12,242 (5)	0.37%
James N. Reynolds	Director, Chairman	62,383 (6)	1.91%
H. Edward Rigel	Director	30,325	0.93%
David P. Roach	Director	5,497 (7)	0.17%
Daniel W. Schutt	Director, Vice Chairman	22,150	0.68%
R. Steven Unverferth	Director	3,569 (8)	0.11%
Brian D. Young	Director, President and CEO	26,039	0.80%
All directors, nominees and officers as a group (9 persons)		171,609	5.25%

(1)

Reflects percentage ownership of the respective individuals based on 3,267,048 common shares outstanding on March 7, 2017.

(2)

Includes (a) 3,000 shares held jointly with Mr. Benroth's brother; and (b) 5,000 shares held in a trust.

(3)

Includes (a) 692 shares allocated to Mr. Lucke under the Corporation's Employee Stock Ownership Plan; and (b) 712 shares owned jointly with Mr. Lucke's spouse.

(4)

Includes 11,963 shares allocated to Ms. Oatman under the Corporation's Employee Stock Ownership Plan.

(5)

Includes (a) 37,790 shares owned by Mr. Reynolds' spouse; and (b) 1,623 shares allocated to Mr. Reynolds under the Corporation's Employee Stock Ownership Plan.

(6)

Includes 15,135 shares held in a trust of which Mr. Rigel is a co-trustee.

(7)

Includes 20,769 shares owned by Mr. Schutt through his IRA.

(8)

Includes (a) 21,892 shares allocated to Mr. Young under the Corporation's Employee Stock Ownership Plan; and (b) 1,045 shares owned by Mr. Young's minor children.

ITEMS OF BUSINESS TO BE VOTED ON BY SHAREHOLDERS**PROPOSAL NUMBER 1: ELECTION OF DIRECTORS**

The incumbent directors of United Bancshares, totaling seven, are nominated to be elected as directors and to serve until the next annual meeting. The following table sets forth information concerning the nominees for directors of United Bancshares:

Name	Age	Principal Occupation⁽¹⁾	Positions Held with United Bancshares	Director of United Bancshares Since	Director of The Union Bank Company Since⁽²⁾
Robert L. Benroth	54	Putnam County Auditor and Chief Financial Officer	Director	2003	2001
James N. Reynolds	79	Retired banker; Chairman of United Bancshares	Director and Chairman	2000	1966
H. Edward Rigel	74	Farmer, Rigel Farms, Inc.	Director	2000	1979
David P. Roach	66	Vice-President and General Manager for First Family Broadcasting of Ohio ⁽³⁾	Director	2001	1997
Daniel W. Schutt	69	Retired Banker ⁽⁴⁾	Director and Vice Chairman	2005	2005
R. Steven Unverferth	64	Chairman, Unverferth	Director	2005	1993

Manufacturing
Corporation, Inc.

Brian D. Young	50	President and Chief Executive Officer of United Bancshares ⁽⁵⁾	Director, President and CEO	2012	2008
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(1)

Except as otherwise indicated in this Proxy Statement, each nominee has held the occupation identified for at least five years preceding the date of this Proxy Statement.

(2)

Indicates year first elected or appointed to the Board of Directors of The Union Bank Company, a subsidiary of United Bancshares, or either of its former affiliate banks, Bank of Leipsic or the Citizens Bank of Delphos.

(3)

Mr. Roach previously served as a Manager at Maverick Media Radio Stations of Ohio.

(4)

Mr. Schutt previously served as President and Chief Executive Officer of United Bancshares from January 2005 to July 2012. Mr. Schutt is now retired. Mr. Schutt has served as Vice Chairman of United Bancshares since April of 2015.

(5)

Mr. Young is the current President and Chief Executive Officer of United Bancshares and has served in such capacity since August 2012. Prior to his most recent appointment, Mr. Young served as the Chief Financial Officer (since 2001), the Treasurer (since 2002), and Executive Vice President (since 2005) of United Bancshares.

The Board of Directors has set the size of the Board at seven directors. In the future, should the Board of Directors determine that additional new members would be beneficial to the Corporation, it will take action to increase the size of the Board and work with the Nominating Committee to find suitable candidates for placement on the Board.

The Board of Directors recommends that shareholders vote **FOR** the election of the nominees. Shares as to which authority to vote is withheld, abstentions and broker non-votes that are present in person or by proxy will not be counted and will have no effect on the outcome of the election. The directors are elected by a plurality of the votes cast. As such, the seven nominees receiving the highest number of votes will be elected as directors.

Please see the narrative under the heading “**Director and Nominee Qualifications**” beginning on page 9 of this Proxy Statement for discussion of the qualifications of each director nominee.

Proxies will be voted **FOR** the election of each of the nine nominees unless you indicate on the proxy card or voting instructions that you vote **AGAINST** or **ABSTAIN** from voting with respect to, any or all of the nominees. The telephone and Internet proxy submission procedures will include instructions on how to abstain from voting with respect to any or all nominees. We expect that each nominee will be able to serve if elected as a director. If one or more of the nominees should at the time of the Annual Meeting be unavailable or unable to serve as a director, the shares represented by the proxies will be voted to elect the remaining nominees and any substitute nominee or nominees designated by the Board of Directors.

PROPOSAL NUMBER 2: AMENDMENT TO THE AMENDED AND RESTATED ARTICLES OF INCORPORATION TO AUTHORIZE A NEW CLASS OF PREFERRED STOCK

On February 21, 2017, the Corporation’s Board approved an amendment to Article IV of the Amended and Restated Articles of Incorporation of the Corporation (the “Articles”), and approved its submission to the shareholders for their approval at the Annual Meeting. The proposed amendment to the Articles authorizes 750,000 shares of a new class of preferred stock (the “Preferred Stock”). The full text of the proposed amendment to Article IV of the Articles is set forth in Appendix A to this Proxy Statement.

The Corporation currently has one authorized class of capital stock, its shares of common stock (“Common Stock”), which has no par value per share. The Board believes that it is advisable to increase the Corporation’s authorized capital to include a class of Preferred Stock in order to increase the Corporation’s flexibility to engage in preferred stock financing or to enter into arrangements that provide for the potential issuance of such Preferred Stock in the future. The Corporation wishes to be in a position to take advantage of any opportunities that might present themselves to the Corporation, and such opportunities could arise at any time. The availability of shares of Preferred Stock will afford the Corporation greater flexibility in acting upon opportunities and transactions, including strategic acquisitions, if any, which may arise.

Section 1701.69 of the Ohio Revised Code permits the authorization of a class of preferred stock pursuant to which the Board can designate and issue shares in one or more series and can specify, subject to certain limitations, the relative rights and preferences of any series so designated. Many publicly traded community banks have such a class of authorized preferred stock. The new class of Preferred Stock, if approved, will be issuable in one or more series with such relative rights and preferences (including voting rights, if any) as are specified by the Board at the time of designation or issuance, without further action on the part of the Corporation’s shareholders. Future issuances of shares of the Preferred Stock could have the effect of making it more difficult for a person to acquire control of the Corporation and remove management. At this time, there are no current specific plans, understandings or arrangements for the use of the Preferred Stock.

The affirmative vote of holders of a two-thirds majority of shares entitled to vote at the Annual Meeting is required to approve the proposed amendment to Article IV of the Corporation's Articles. If the amendment is not approved by the shareholders, the Corporation's Articles, which do not contain a class of preferred stock, will continue in effect. The proposed amendment, if adopted by the required two-thirds majority vote of the shareholders, will become effective on the date on which the Certificate of Amendment to the Articles is filed with the Secretary of State of Ohio. Proxies will be voted in favor of the following resolution unless otherwise instructed by the shareholders. The Board of Directors recommends that shareholders vote **FOR** the adoption of the resolution. The resolution states:

“RESOLVED, that Article IV of the Amended and Restated Articles of Incorporation of United Bancshares, Inc., be amended by deleting the current Article IV and replacing it with the form of Article IV set forth in Appendix A to the Proxy Statement dated March 13, 2017.”

PROPOSAL NUMBER 3: RATIFICATION OF THE APPOINTMENT OF THE INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

The Audit Committee of the Board of Directors of the Corporation has selected CliftonLarsonAllen LLP as the Corporation's independent registered public accounting firm to perform the audit of the Corporation's financial statements for the fiscal year ending December 31, 2017. CliftonLarsonAllen LLP was the Corporation's independent registered public accounting firm for the fiscal year ended December 31, 2016 and has served the Corporation in that role since 2000.

Representatives from CliftonLarsonAllen LLP are expected to attend the Annual Meeting. They will have an opportunity to make a statement if they desire to do so and will be available to respond to appropriate shareholder questions.

We are asking our shareholders to ratify the selection of CliftonLarsonAllen LLP as the Corporation's independent registered public accounting firm. Although ratification of the appointment is not required by law, the Corporation's Regulations, the Board of Directors' by-laws or otherwise, the Board is submitting the selection of CliftonLarsonAllen LLP to our shareholders for ratification as a matter of good corporate practice. Even if the selection is ratified, the Audit Committee, in its discretion, may select a different independent registered public accounting firm at any time during the year if it determines that such a change would be in the best interests of the Corporation and our shareholders.

It is intended that the common shares represented by the accompanying proxy card will be voted for the resolution ratifying the appointment of CliftonLarsonAllen LLP as the Corporation's independent registered public accounting firm, unless contrary instructions are indicated as provided on the proxy card. If you do not wish your shares to be voted for the resolution, please so indicate on the proxy card. The Board of Directors recommends that the shareholders vote **FOR** the adoption of the following resolution. The resolution states:

“RESOLVED, that action by the Audit Committee appointing CliftonLarsonAllen LLP as the Corporation's independent registered public accounting firm to conduct the annual audit of the financial statements of the Corporation and its subsidiaries for the fiscal year ending December 31, 2017 is hereby ratified, confirmed and approved.”

Proxies received by the Corporation and not revoked prior to the Annual Meeting will be voted in favor of ratification of the appointment of CliftonLarsonAllen LLP unless otherwise instructed by the shareholder. Shares as to which authority to vote is withheld or abstained will not be counted and will have no effect on the outcome of the vote. The affirmative vote of a majority of the common shares represented at the Annual Meeting, in person or by proxy, and entitled to vote on the proposal is required to ratify the appointment of CliftonLarsonAllen LLP as the Corporation's independent registered public accounting firm for the fiscal year ending December 31, 2017.

DIRECTORS AND EXECUTIVE OFFICERS

The following table identifies each of the current directors and executive officers of United Bancshares.

Name	Age	Principal Occupation⁽¹⁾	Positions Held with United Bancshares	Director of United Bancshares Since	Director of The Union Bank Company Since ⁽²⁾
Robert L. Benroth	54	Putnam County Auditor and Chief Financial Officer	Director	2003	2001
Daniel J. Lucke	47	Chief Financial Officer of United Bancshares ⁽³⁾	Chief Financial Officer	N/A	N/A
Heather M. Oatman	44	Secretary of United Bancshares ⁽⁴⁾	Secretary	N/A	N/A
James N. Reynolds	79	Retired Banker; Chairman of United Bancshares	Director and Chairman	2000	1966
H. Edward Rigel	74	Farmer, Rigel Farms, Inc.	Director	2000	1979
David P. Roach	66	Vice-President and General Manager for First Family Broadcasting of Ohio ⁽⁵⁾	Director	2001	1997
Daniel W. Schutt	69	Retired Banker ⁽⁶⁾	Director and Vice Chairman	2005	2005
R. Steven Unverferth	64		Director	2005	1993

Chairman of
Unverferth
Manufacturing
Corporation, Inc.

Brian D. Young	50	President and Chief Executive Officer of United Bancshares ⁽⁷⁾	Director, President and CEO	2012	2008
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(1)

Except as otherwise indicated in this Proxy Statement, each director and officer has held the occupation identified for at least five years preceding the date of this Proxy Statement.

(2)

Indicates year first elected or appointed to the Board of The Union Bank Company, a subsidiary of United Bancshares, or either of its former affiliate banks, Bank of Leipsic or the Citizens Bank of Delphos.

(3)

Mr. Lucke was previously the Controller for a wholesale distribution company from June 2011 until joining The Union Bank Company, a subsidiary of United Bancshares in June 2015 as the Controller. Mr. Lucke served as interim Chief Financial Officer from April 1, 2016 to June 20, 2016 at which time he was promoted to the Chief Financial Officer.

(4) Ms. Oatman has served as the Secretary of United Bancshares since April 2008 and as the Human Resources Manager for The Union Bank Company since 1996.

(5)

Mr. Roach previously served as a Manager at Maverick Media Radio Stations of Ohio.

(6)

Mr. Schutt previously served as President and Chief Executive Officer of United Bancshares from January 2005 to July 2012. Mr. Schutt is now retired.

(7)

Mr. Young is the current President and Chief Executive Officer of United Bancshares and has served in such capacity since August 2012. Prior to his most recent appointment, Mr. Young served as the Chief Financial Officer (since 2001), the Treasurer (since 2002), and Executive Vice President (since 2005) of United Bancshares.

Director and Nominee Qualifications

The Nominating Committee of our Board of Directors considers candidates to fill new directorships created by expansion and vacancies that may occur and makes recommendations to the Board of Directors with respect to such

candidates. The Board has not adopted a policy with respect to minimum qualifications for directors, rather the Nominating Committee evaluates each individual in the context of the Board as a whole, with the objective of recommending a group of persons that can best implement our business plan, perpetuate our business and represent

shareholder interests. It is a policy of the Nominating Committee that candidates for director possess the highest personal and professional integrity, have demonstrated exceptional ability and judgment, and have skills and expertise appropriate for the Corporation and serving the long-term interest of the Corporation's shareholders. The committee, in making its nominations, considers all relevant qualifications of candidates for board membership, including, among other things, factors such as an individual's business experience, industry knowledge and experience, financial background, breadth of knowledge about issues affecting the Corporation, public company experience, bank and other regulatory experience, diversity, current employment and other board memberships, and whether the candidate will be independent under the listing standards of the NASDAQ Global Select Market. In some cases, the Nominating Committee may require certain skills or attributes, such as financial or accounting experience, to meet specific Board needs that arise from time to time. In the case of incumbent directors whose terms of office are set to expire, the committee also reviews such director's overall service to the Corporation during his or her term and any relationships and transactions that might impair such director's independence.

While the Corporation does not have a formal diversity policy for Board membership, the Board seeks directors who represent a mix of backgrounds and experiences that will enhance the quality of the Board's deliberations and decisions. The Nominating Committee considers, among other factors, diversity with respect to viewpoint, skills, experience and community involvement in its evaluation of candidates for Board membership. Such diversity considerations are discussed by the Nominating Committee in connection with the general qualifications of each potential nominee.

Robert L. Benroth is a current director of United Bancshares and The Union Bank Company. He currently serves as Auditor and Chief Financial Officer for Putnam County. Mr. Benroth joined the Board of The Union Bank Company in 2001 and the Board of United Bancshares in 2003. He serves as Chairman of the Audit Committee, and is a member of the Nominating Committee and the Employee Stock Purchase Plan Committee. Mr. Benroth is a past member of the Accountancy Board of Ohio.

Mr. Benroth brings to the Board a breadth of relevant experience in accounting and financial matters and serves as the Board's "Audit Committee financial expert" as defined in Item 407(d)(5) of Regulation S-K. Further, Mr. Benroth brings to the Board an institutional knowledge of The Union Bank Company due to his extensive tenure as a member of its Board.

James N. Reynolds is currently a director and Chairman of United Bancshares and a director of The Union Bank Company. Mr. Reynolds formerly served as Chief Executive Officer of the Bank of Leipsic, a role he occupied from 1965 until 1998. He joined the Board of the Bank of Leipsic in 1966 (and, subsequent to the acquisition of the Bank of Leipsic by The Union Bank Company, the Board of The Union Bank Company in 2000) and the Board of United Bancshares in 2000. Mr. Reynolds also is a member of the Compensation Committee.

Mr. Reynolds provides valuable insights and industry knowledge due to his extensive career in the banking and financial services industries, including over 40 years of executive management experience. He also brings to the Board an institutional knowledge of The Union Bank Company and United Bancshares due to his extensive tenures on those respective Boards.

H. Edward Rigel is currently a director of United Bancshares and a director of The Union Bank Company. He joined the Board of the Bank of Leipsic in 1979 (and, subsequent to the acquisition of the Bank of Leipsic by The Union Bank Company, the Board of The Union Bank Company in 2000) and the Board of United Bancshares in 2000. He is also President of Rigel Farms, Inc., a role that he has occupied since 1979. Mr. Rigel serves as Chairman of the Nominating Committee and is a member of the Audit Committee.

Mr. Rigel's executive and management experience have equipped him to contribute to the Board's oversight of the Corporation's management and business activities. He also brings to the Board an institutional knowledge of the Bank of Leipsic, The Union Bank Company and United Bancshares due to his extensive tenures on those respective Boards.

David P. Roach is currently a director of United Bancshares and a director of The Union Bank Company. He joined the Board of the Citizens Bank of Delphos in 1997 (and, subsequent to the acquisition of the Citizens Bank of Delphos by The Union Bank Company, the Board of The Union Bank Company in 2001) and the Board of United Bancshares in 2001. He is currently the Vice-President and General Manager for First Family Broadcasting of Ohio. Mr. Roach is a member of the Compensation Committee and the Nominating Committee.

Mr. Roach's extensive executive and management experience have equipped him to contribute to the Board's oversight of management and business activities. Further, Mr. Roach brings relevant experience and an institutional knowledge of the Corporation developed through his long tenure on the Citizens Bank of Delphos, The Union Bank Company and United Bancshares Boards.

Daniel W. Schutt is currently a director and has served in that capacity for The Union Bank Company and United Bancshares since 2005. Mr. Schutt has also served as Vice Chairman of United Bancshares since April of 2015. Mr. Schutt formerly served as President and Chief Executive Officer of United Bancshares from January 2005 until his retirement in July 2012. He also served as President of The Union Bank Company from January 2005 to March 2010 and as its Chief Executive Officer and Chairman from January 2005 until his retirement from those roles in July 2012.

Mr. Schutt brings valuable insight and industry knowledge to the Board with over 40 years of experience, including over 25 years of experience as an executive, within the banking industry. During his tenure as past President and Chief Executive Officer, Mr. Schutt has developed unique insights into the business activities of the Corporation and its subsidiaries and provides a wealth of institutional knowledge to the Board.

R. Steven Unverferth is currently a director of United Bancshares and The Union Bank Company. He is also the current Chairman and former President of Unverferth Manufacturing Corporation, Inc., a large agricultural equipment manufacturer. Mr. Unverferth became affiliated with the Board of The Union Bank Company in 1993 and joined the Board of United Bancshares in 2005. Mr. Unverferth serves as the Chairman of the Compensation Committee and is a member of the Audit Committee.

Mr. Unverferth brings to the Board an extensive executive management and agricultural experience which equip him to contribute to the Board's oversight of the Corporation's management and business activities. Further, Mr. Unverferth brings to the Board an institutional knowledge of The Union Bank Company due to his extensive tenure as a member of its Board.

Brian D. Young is currently a director and the President and Chief Executive Officer of United Bancshares and The Union Bank Company. Mr. Young has been a director of The Union Bank Company since 2008 and of United Bancshares since 2012. Prior to becoming President and Chief Executive Officer in August 2012, Mr. Young served in a variety of executive roles for United Bancshares including as its Chief Financial Officer since 2001 and Executive Vice President since 2005.

Mr. Young brings to the Board extensive experience in all aspects of the bank operations and management. Having served in numerous roles at The Union Bank Company and United Bancshares over the past 15 years, Mr. Young provides invaluable insight and institutional knowledge and provides the Board information as to the operations of the Corporation and its subsidiaries, identifying near- and long-term challenges and opportunities for the Corporation.

CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

In the ordinary course of conducting its business, United Bancshares, for itself or through its banking subsidiary, may engage in transactions with the employees, directors and managers of United Bancshares and The Union Bank Company which may include, but not be limited to, loans. With the exception of certain discounts available to employees which are administered in accordance with Ohio banking law, all banking transactions with directors, employees or managers of United Bancshares, or its subsidiary, are conducted on the same basis and terms as would be provided to any other bank customer. In addition, each of these transactions was made on terms similar to those that could have been negotiated with an unaffiliated third party.

To the knowledge of United Bancshares, no director, officer or affiliate of the Corporation, owner of record or beneficially of more than 5% of the Corporation's common stock, or any associate of any such director, officer, affiliate of the Corporation or security holder, is an adverse party to the Corporation or its subsidiary or has a material interest that is adverse to the Corporation or its subsidiary.

SECTION 16(a) BENEFICIAL OWNERSHIP REPORTING COMPLIANCE

Section 16(a) of the Securities Exchange Act of 1934 requires United Bancshares' officers and directors and persons who own more than 10% of a registered class of the Corporation's equity securities to file reports of ownership and changes in ownership with the SEC. Officers, directors and greater than 10% shareholders are required to furnish United Bancshares with copies of all Section 16(a) forms they file. During 2016, Daniel J. Lucke inadvertently missed the deadline to file the initial disclosure filing on Form 3 (an initial statement of beneficial ownership). However, the initial statement of beneficial ownership was promptly disclosed by virtue of the filing of the Form 3 with the SEC upon discovery of this error. Based solely on the Corporation's review of the Section 16(a) forms received by it and by statements of officers and directors concerning their compliance with the applicable filing requirements, and with the exception noted above, the officers, directors and greater than 10% beneficial owners of United Bancshares have complied with all applicable filing requirements during the calendar year 2016.

CORPORATE GOVERNANCE

Board of Directors Meetings

The Board of Directors met 15 times during the fiscal year ended December 31, 2016. The directorate as a whole attended all of the Board meetings. United Bancshares encourages its directors to attend its Annual Meetings of Shareholders, and all directors attended the 2016 Annual Meeting of Shareholders. Directors receive up to \$10,500 annual compensation for their service on the Board of Directors of United Bancshares. Additionally, the Chairman of the Board receives \$5,750, the Chairman of the Audit Committee receives \$2,875, the Chairman of the Nominating Committee receives \$600 and the Chairman of the Compensation Committee receives \$600 for their service in these positions. Inside directors are not compensated for their services as directors beyond their salaries received from United Bancshares or its subsidiaries. All of the directors of United Bancshares also serve as directors of United Bancshares' depository subsidiary, The Union Bank Company. Each of the outside directors receives additional compensation for their services as a director of a subsidiary.

Board Leadership Structure and Risk Oversight

The Chairman of the Board is a director and presides at meetings of the Board. The Chairman is appointed on an annual basis by at least a majority vote of the remaining directors. Currently, the offices of Chairman of the Board and Chief Executive Officer are separated. Such separation enables the Chairman to devote his time to managing the Board

and the Chief Executive Officer to focus on the operations of the Corporation. The Corporation has no fixed policy with respect to separation of the offices of the Chairman of the Board and Chief Executive Officer, and the Board believes it is in the best interests of the Corporation and its shareholders to review the leadership structure from time to time.

The Board of Directors is responsible for consideration and oversight of risks facing the Corporation, and is responsible for ensuring that material risks are identified and managed appropriately. Several oversight functions are delegated to committees of the Board with such committees regularly reporting to the full Board the results of their respective oversight activities. As part of this process, the Board reviews management's risk-assessment process and periodically reviews the most important enterprise risks to ensure that compensation programs do not encourage excessive risk-taking. Additional review or reporting on enterprise risks is conducted as needed or as requested by the Board or a Board committee.

Board of Directors Independence

Each year, the Board of Directors reviews the relationships that each director has with the Corporation and with other parties. Only those directors who do not have any of the categorical relationships that preclude them from being independent within the meaning of applicable NASDAQ Stock Market, LLC ("NASDAQ") Rules and who the Board of Directors affirmatively determines have no relationships that would interfere with the exercise of independent judgment in carrying out the responsibilities of a director are considered to be independent directors. The Board of Directors has reviewed a number of factors to evaluate the independence of each of its members. These factors include its members' current and historic relationships with the Corporation and its competitors, suppliers and customers; their relationships with management and other directors; the relationships their current and former employers have with the Corporation; and the relationships between the Corporation and other companies of which the Corporation's Board members are directors or executive officers. After evaluating these factors, the Board of Directors has determined that all of the directors, with the exception of Daniel W. Schutt and Brian D. Young, are independent directors of the Corporation within the meaning of applicable NASDAQ Rules.

Independent members of the Board of Directors of the Corporation meet in executive session without management present, and are scheduled to do so at least two times per year. The Board of Directors has designated James N. Reynolds as the presiding director for these meetings.

Shareholder Communications

Our shareholders may communicate directly with the members of the Board of Directors or the individual chairman of standing committees of the Board of Directors by writing directly to those individuals at the following address: 100 South High Street, Columbus Grove, Ohio 45830. The Corporation's general policy is to forward, and not to intentionally screen, any mail received at the Corporation's corporate office that is sent directly to an individual.

Code of Ethics

The Board of Directors has adopted a Code of Ethics which is applicable to the Chief Executive Officer, Chief Financial Officer and all other senior financial officers. The Code of Ethics is periodically reviewed and updated by the Board of Directors, as necessary. A copy of the Code of Ethics may be found on the Corporation's website at <http://ir.theubank.com>. In addition, the Board of Directors has adopted a code of ethics that applies to all of our employees, officers and directors.

COMMITTEES OF THE BOARD OF DIRECTORS

Nominating Committee

The Corporation has a Nominating Committee, the members of which are H. Edward Rigel (Chairman), Robert L. Benroth, and David P. Roach. Each member of the Nominating Committee is independent within the meaning of applicable NASDAQ Rules. The Nominating Committee, which was formed in 2003, is responsible for reviewing the qualifications of potential candidates for the Board of Directors, including those potential candidates submitted by shareholders. In addition, the Nominating Committee recommends to the Board of Directors candidates for election as directors at the Annual Meeting of Shareholders and candidates to fill vacancies on the Board of Directors. United Bancshares does not have a formal policy regarding consideration of such recommendations; however, any recommendations received from shareholders will be evaluated in the same manner that potential nominees suggested by the Board of Directors are evaluated, as described below. Shareholders may send director nomination recommendations to the Secretary of the Corporation at 100 South High Street, Columbus Grove, Ohio 45830. The Nominating Committee met a total of one time during the fiscal year ended December 31, 2016. The Nominating Committee has adopted a written charter which may be found on the Corporation