

ADAMS RESOURCES & ENERGY, INC.

Form DEF 14A

April 11, 2017

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  [ ]

Check the appropriate box:

[ ] Preliminary Proxy Statement

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

[X] Definitive Proxy Statement

[ ] Definitive Additional Materials

[ ] Soliciting Material Pursuant to sec. 240.14a-11(c) or 240.14a-12

Adams Resources & Energy, Inc.

(Name of Registrant as Specified in its Charter)

N/A

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

Payment of Filing Fee (Check the appropriate box):

[X] 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

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(3) Filing Party: N/A

(4) Date Filed: N/A

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ADAMS RESOURCES & ENERGY, INC.  
17 South Briar Hollow Lane, Suite 100  
Houston, Texas 77027

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS  
May 3, 2017

To Our Shareholders:

Notice is hereby given that the Annual Meeting of Shareholders of Adams Resources & Energy, Inc. will be held at 17 South Briar Hollow Lane, Suite 100, Houston, Texas 77027, on Wednesday, May 3, 2017 at 11:00 a.m., Houston time, for the following purposes:

1. To elect a board of eight directors to serve for the next year or until their successors are elected and qualified;
2. To consider and act upon an Advisory Resolution on Executive Compensation;
3. To consider and act upon an Advisory Resolution on the Frequency of the Shareholders' Advisory Resolution on Executive Compensation; and
4. Transact such other business as may properly come before the meeting or any adjournments thereof.

Further information regarding the meeting and the above proposals is set forth in the accompanying Proxy Statement. The close of business on April 5, 2017 has been fixed as the record date for the determination of shareholders entitled to receive notice of and to vote at the Annual Meeting or any adjournment(s) thereof.

By Order of the Board of Directors

/s/ David B. Hurst  
David B. Hurst  
Secretary  
Houston, Texas  
March 27, 2017

NOTICE REGARDING THE AVAILABILITY OF PROXY  
MATERIALS FOR THE SHAREHOLDER MEETING  
TO BE HELD ON MAY 3, 2017.

THE COMPANY'S PROXY STATEMENT AND THE 2016 ANNUAL REPORT  
ARE ALSO AVAILABLE AT [www.adamsresources.com](http://www.adamsresources.com)

YOU ARE INVITED TO ATTEND THE MEETING IN PERSON. EVEN IF YOU PLAN TO BE PRESENT, YOU ARE URGED TO SIGN, DATE AND MAIL THE ENCLOSED PROXY PROMPTLY. THE ENCLOSED RETURN ENVELOPE MAY BE USED FOR THAT PURPOSE. IF YOU ATTEND THE MEETING, YOU CAN VOTE EITHER IN PERSON OR BY PROXY.

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ADAMS RESOURCES & ENERGY, INC.  
17 South Briar Hollow Lane, Suite 100,  
Houston, Texas 77027

## PROXY STATEMENT

### 2017 ANNUAL MEETING OF SHAREHOLDERS To Be Held May 3, 2017

This Proxy Statement and accompanying proxy are being furnished to shareholders in connection with the solicitation of proxies by the Board of Directors of Adams Resources & Energy, Inc., a Delaware corporation (the "Company"), for use at the 2017 Annual Meeting of Shareholders to be held at 17 South Briar Hollow Lane, Suite 100, Houston, Texas 77027, on Wednesday, May 3, 2017 at 11:00 a.m., Houston time, and any and all adjournments thereof, (such meeting or adjournment(s) thereof referred to as the "Annual Meeting"), for the purposes set forth in the accompanying Notice of Annual Meeting of Shareholders. This Proxy Statement and the accompanying proxy are being mailed to shareholders on or about April 7, 2017.

The Company will pay the cost of solicitation of the proxies. In addition to solicitation by mail, proxies may be solicited personally or by telephone or e-mail by directors, officers and employees of the Company, and arrangements may be made with brokerage houses or other custodians, nominees and fiduciaries to send proxies and proxy material to their principals. Compensation and expenses of such firms, if any, which are not expected to exceed \$1,000, will be borne by the Company.

### VOTING SECURITIES AND PRINCIPAL HOLDERS THEREOF

At the close of business on April 5, 2017, the record date of those entitled to receive notice of and to vote at the Annual Meeting, the Company had outstanding 4,217,596 shares of common stock, \$0.10 par value per share ( "Common Stock" ). The presence, in person or by proxy, of a majority of the outstanding shares of Common Stock on the record date is necessary to constitute a quorum at the Annual Meeting. Abstentions and broker non-votes (which are shares represented by proxies, received from a bank or broker, that are not voted on a matter because the bank or broker did not receive voting instructions from the shareholder) will be treated the same as abstentions, which means they will be present at the Annual Meeting and counted toward the quorum, but they will not be counted as votes cast. Abstentions and broker non-votes will not have an effect on any of the proposals at this meeting because they will not be counted as votes cast. Each share of Common Stock is entitled to one vote on all issues requiring a shareholder vote at the Annual Meeting. Shareholders may not cumulate their votes for the election of directors.

The election of directors and the advisory resolution on executive compensation are not considered "routine matters." Thus, if a shareholder does not vote its shares with respect to any of these matters, such shareholder's bank or broker may not vote such shares and such shares will be left unvoted on the matter.

All shares represented by properly executed or submitted proxies, unless previously revoked, will be voted at the Annual Meeting in accordance with the directions on the proxies. If no direction is indicated, the shares will be voted "FOR" the election as directors of the nominees listed herein, "FOR" the advisory resolution on executive compensation, and in the discretion of the persons named in the proxy in connection with any other business that may properly come before the Annual Meeting. The enclosed proxy, even though executed and returned, may nevertheless be revoked at any time before it is voted by the subsequent execution and submission of a revised proxy, by written notice of revocation to the Secretary of the Company at the address set forth above or by voting in person at the Annual Meeting. However, simply attending the Annual Meeting and not voting will not revoke a proxy.

## ITEM 1 - APPROVAL OF NOMINEES FOR DIRECTOR

## ELECTION OF DIRECTORS

The persons named as proxy holders in the enclosed proxy have been selected by the Board of Directors to serve as proxies ( "Proxy Holders") and will vote the shares represented by valid proxies at the Annual Meeting and any adjournments thereof. The proxy holders have indicated that they intend to vote "FOR" election as director each of the persons named as a nominee below under "Nominees for Director" unless authority to vote in the election of directors is withheld on each proxy or unless otherwise specified on each proxy. Each duly elected director will hold office until the 2018 Annual Meeting of Shareholders or until his or her successor shall have been elected and qualified. Although the Board of Directors of the Company does not contemplate that a nominee will be unable to serve, if such a situation arises prior to the Annual Meeting, the Proxy Holders will vote for the election of such other person as may be nominated by the Board of Directors. Proxies cannot be voted in the election of directors for more than eight persons, as that is the number of nominees named herein.

Directors shall be elected by a plurality of the votes of the shares present or represented by proxy and entitled to vote at the Annual Meeting. Withholding authority will have the effect of a vote cast "AGAINST" Item 1. Broker non-votes will not be counted in the tabulations of the votes cast on Item 1 and will have no effect on the outcome of the vote.

The Board of Directors unanimously recommends a vote "FOR" the election of the nominees listed below.

For each of the Company's directors, the following table sets forth their names, ages, principal occupations, other directorships of public companies held by them and length of continuous service as a director. Any directorship of public companies held by the nominees within the last five years is also presented below.

Nominee and Age	Principal Occupation and Directorship	Director Since
Thomas S. Smith (65)	President and Chief Executive Officer of the Company	2013
E. C. Reinauer, Jr. (81)	Retired—Former International Project Manager	1973
Larry E. Bell (69)	Retired—Risk Manager	2006
Townes G. Pressler (81)	Chairman—VSO Petroleum Consultants, Inc.	2011
Michelle A. Earley (45)	Partner—Locke Lord LLP	2015
Murray E. Brasseux (68)	Retired—Former Bank Managing Director	2015
Richard C. Jenner (55)	Co-managing Partner—Endeavor Natural Gas, LP	2016
W. R. Scofield (64)	President and Chief Operating Officer—KSA Industries, Inc.	2016

Thomas S. Smith

Mr. Smith was appointed as President and Chief Executive Officer of the Company in February 2015. He retired from KSA Industries, Inc. (“KSAI”), an affiliate of the Company, on March 20, 2015 where he had been President since November 2013. Previously, Mr. Smith was an Executive Vice President with KSAI for more than five years. He holds a Bachelor’s degree in Finance from the University of Texas.

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E.C. Reinauer, Jr.

Mr. Reinauer was elected to the Company's Board at the time of the Company's initial public offering in 1973. Mr. Reinauer previously held a Financial Industry Regulatory Authority (FINRA) Series 7 certification. He possesses extensive knowledge of the Company's history and has had direct management oversight in a variety of international projects throughout the world. He previously served in the US Navy. He holds a bachelor's in Business Administration from Texas Tech University and a Master in Business Administration from the Wharton School of Finance.

Larry E. Bell

Mr. Bell has extensive industry and risk management experience. His area of expertise includes commodity pricing risks, accounting and reporting internal controls as well as traditional property and casualty exposure management. Mr. Bell previously held a Financial Industry Regulatory Authority (FINRA) Series 7 certification. Mr. Bell's previous position was Risk Manager with Holly Frontier Corporation and he retired in 2012. Mr. Bell holds a Bachelor's degree from the University of Oklahoma with majors in Finance and Accounting.

Townes G. Pressler

Mr. Pressler is President and founder of Tepee Petroleum, an independent oil and gas producer based in Houston, and he is founder of Pressler Petroleum Consultants, Inc., which provides engineering consulting services and appraisals. Prior to 1985, Mr. Pressler was President of Philip Hill Energy, President of Republic Oil and Gas Corp., and Chief Petroleum Engineer for Barnhart Co. after his initial years with Exxon. Mr. Pressler is a 1959 graduate of the University of Texas with a Bachelor's of Science Degree in Petroleum Engineering, and is a Registered Professional Engineer.

Michelle A. Earley

Ms. Earley is a Partner at Locke Lord LLP. Michelle has extensive experience in merger, acquisition, and disposition transactions, securities regulation matters and securities offerings, including representing purchasers and sellers of publicly-traded and privately-held companies, representing issuers and selling shareholders in connection with the public offering and private placement of debt and equity securities, tender offers, exchange offers and advising management and boards of directors on general corporate governance matters. She has her undergraduate degree from Texas A&M University and a Juris Doctorate from Yale Law School.

Murray E. Brasseux

Mr. Brasseux has extensive banking experience including energy lending practices. Mr. Brasseux was the Managing Director, Oil & Gas Finance at BBVA Compass and retired in 2014. Mr. Brasseux holds a Bachelor's of Science in Finance and MS in Finance from Louisiana State University.

Richard C. Jenner

Mr. Jenner is the co-managing partner of Endeavor Natural Gas, LP, a private equity backed exploration and production company. He has been active in the oil and gas industry for over 30 years with specific expertise in the prospective areas of Texas and Louisiana, the Company's primary area of operation. Mr. Jenner is a petroleum engineer with a Bachelor's of Science degree from the Colorado School of Mines and a Master of Business Administration from University of Chicago.

W. R. Scofield

Mr. Scofield is the President and Chief Operating Officer of KSA Industries, Inc. Mr. Scofield has extensive experience with a diverse group of businesses, including oil and gas, agriculture, automotive, insurance and professional sports. He also represents the Company's largest shareholder group. Mr. Scofield is a graduate of the University of Texas and holds a Bachelor's of Business Administration and a Master of Professional Accounting, specializing in taxation.

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## Independence

The Company's Board of Directors is comprised of a majority of independent directors as defined under NYSE MKT listing standards. There are no family relationships among any of the directors or executive officers of the Company. The Board has determined that the following Directors are independent: Messrs. Reinauer, Bell, Pressler, Brasseux, Jenner and Ms. Earley. The Board has determined that none of the designated independent directors have any relationship that, under NYSE MKT rules, would preclude their service on any of the standing committees of the Board. In making its determination, the Board considered transactions and relationships between each director or his immediate family and the Company and its subsidiaries, including those reported under "Compensation Committee Interlocks and Insider Participation" and "Transactions with Related Persons" below. The purpose of this review was to determine whether any such relationships or transactions were material and, therefore, inconsistent with a determination that the director is independent. In addition, the Board requires each of its members and each of the director nominees to disclose in an annual questionnaire any relationship they or their family members may have had with the Company, its subsidiaries, its independent accountants, directors and officers within the past five years. The Board considers any such relationship in making its determination. Messrs. Smith and Scofield are considered inside directors because of their employment with the Company and KSAI, respectively. Mr. Smith also beneficially owns 46.9% of the Company's outstanding common stock.

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Meetings and Committees of the Board

In 2016, the full Board and/or its committees met four times and all director nominees attended all of the meetings of the Board and the committees on which they served for the period in which they held office. It is the Company's policy that all persons nominated for election to the Board at the time of the annual meeting be present at such meeting. All directors at the time of the 2016 annual meeting attended the 2016 annual meeting. The Board has four standing committees – the Audit Committee, the Compensation Committee, the Nominating and Corporate Governance Committee and the Investment Committee.

Committees of the Board	Summary of Responsibilities	Committee Members	Meetings in 2016
Audit	Retains independent registered public accounting firm and pre-approves their services. Reviews and approves financial statements, internal controls and related party transactions.	Bell <sup>(1)</sup> Reinauer Pressler Brasseux Jenner Scofield	Seven
Compensation	Evaluates the performance of the Chief Executive Officer and establishes the compensation of the Chief Executive Officer and other executive officers.	Pressler <sup>(2)</sup> Reinauer Jenner	Four
Nominating and Corporate Governance	Identifies, considers and recommends to the Board nominees for directors. Periodically assesses corporate governance and makes recommendations to the Board	Pressler <sup>(2)</sup> Bell Reinauer Brasseux Earley	Six
Investment	Evaluates, reviews and monitors investment, acquisition and divestiture transactions.	Jenner <sup>(3)</sup> Bell Brasseux Earley Pressler Scofield	One

<sup>(1)</sup> Mr. Bell is an independent director, Chairman of the Audit Committee and is the Company's designated Audit Committee financial expert under Item 407(d) (5) of Regulation S-K.

<sup>(2)</sup> Mr. Pressler is an independent director, Chairman of the Compensation Committee and Chairman of the Nominating and Corporate Governance Committee.

<sup>(3)</sup> Mr. Jenner is an independent director and serves as Chairman of the Investment Committee.

The responsibilities of the Audit Committee, Compensation Committee, and the Nominating and Corporate Governance Committee and the Investment Committee are described in each of the committees' respective charters, which were adopted by the respective committees and the Board. These committee charters are available on the Company's website at [www.adamsresources.com](http://www.adamsresources.com), under Investor Relations – Corporate Profile – Corporate Governance. Copies may also be obtained by writing to Investor Relations, Adams Resources & Energy, Inc., 17 South Briar

Hollow Lane, Suite 100, Houston, Texas 77027.

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## Nomination Policy

The Nominating and Corporate Governance Committee identifies and recommends to the Board nominees for directors to be considered at the annual meeting of shareholders or to serve as replacements in the event of a vacancy on the Board. Each of the members of the Nominating Committee is independent, as defined in Section 803A of the listing standards of the NYSE MKT. The Nominating and Corporate Governance Committee will also consider nominees submitted by shareholders to the Secretary of the Company if submitted in accordance with the procedures set forth in the Company's Bylaws. You may obtain a copy of the Bylaws by writing to Adams Resources & Energy, Inc., 17 South Briar Hollow Lane, Suite 101, Houston Texas 77027, Attention: Corporate Secretary, David Hurst. The Company's Bylaws can also be found on the Company's website at [www.adamsresources.com](http://www.adamsresources.com), under Investor Relations – Corporate Profile – Corporate Governance.

In identifying and evaluating candidates for nomination to the Board, the Nominating and Corporate Governance Committee considers several factors including: education, experience, knowledge, expertise, independence and availability to effectively carry out the duties of a Board member. The qualifications and backgrounds of prospective candidates are reviewed in the context of the current composition of the Board to ensure the Board maintains the proper balance of knowledge and experience to effectively manage the Company's business for the long-term interests of the shareholders. The Nominating and Corporate Governance Committee initially identifies candidates for nomination through the Committee's and management's general industry contacts. It has not been the practice of the Nominating and Corporate Governance Committee to consider for nomination any specific director candidates recommended by shareholders as no such request has ever occurred. The Nominating and Corporate and Governance Committee will review its policy position if such a request is received. Shareholders may communicate with the Board of Directors as described herein below.

The Nominating and Corporate Governance Committee views diversity expansively and considers, among other things, functional areas of business and financial expertise, educational and professional background, and those competencies that it deems appropriate to develop a cohesive board such as ethics, integrity, values, practical wisdom, mature judgment and the ability of the candidate to represent the interests of all shareholders and not those of a special interest group. Specifically with respect to the experience and qualifications of each of the persons nominated to serve on the Board of Directors, the Nominating and Corporate Governance Committee considered the following information to conclude that each such nominee should serve as a director of the Company.

Messrs. Pressler, Reinauer, Bell, Brasseur, Jenner, Scofield and Ms. Earley have previously stood for election to the Board of Directors. In connection with the Annual Meeting, the Nominating and Corporate Governance Committee has recommended the Directors listed in this proxy.

## Communications with the Board

Any shareholder may communicate with the Board, a committee of the Board or any individual director by sending written communication addressed to the Board of Directors of Adams Resources & Energy, Inc., a committee or such individual director or directors, 17 South Briar Hollow Lane, Suite 100, Houston, Texas 77027, Attention: Investor Relations Manager. All communications will be forwarded to the Board, a committee of the Board or such individual director or directors in accordance with the request of the shareholder.

## Board's Role in Risk Oversight

The Board's role in the Company's risk oversight process includes receiving regular reports from members of senior management on areas of material risk to the Company, including operational, financial, legal, regulatory, and strategic risks. The Audit Committee is responsible for oversight of risks relating to the Company's accounting matters, financial reporting and legal and regulatory compliance. To satisfy these oversight responsibilities, the Audit Committee meets regularly with management, the Company's internal auditor and independent registered public accounting firm. The Compensation Committee is responsible for overseeing risks relating to employment policies and the Company's policies on structuring compensation programs. To satisfy these oversight responsibilities, the Compensation Committee meets regularly with management to understand the implications of compensation decisions, particularly the risks the Company's compensation policies pose to the Company's finances, human resources and shareholders.

## EXECUTIVE OFFICERS

The following table provides information regarding the executive officers of the Company as of March 27, 2017. The officers of the Company serve at the discretion of the Board of Directors of the Company.

Name	Age	Position
Thomas S. Smith	65	President and Chief Executive Officer
Josh C. Anders	40	Executive Vice President, Chief Financial Officer and Treasurer
Sharon C. Davis	57	Executive Vice President, Chief Operating Officer and Chief Accounting Officer
Geoffrey L. Griffith	57	President, GulfMark Energy Company
James L. Brown	65	President, Service Transport Company

Thomas S. Smith was appointed to the additional office of President and Chief Executive Officer of the Company in February 2015; he has served as Chairman of the Board of Directors since November 2013. Mr. Smith also beneficially owns 46.9 % of the Company's outstanding common stock.

Josh C. Anders joined the Company in 2016 and previously served as Vice President, Controller and Principal Accounting Officer for Southwestern Energy Company. Mr. Anders holds a Bachelor's of Science in Finance from Louisiana State University and a Master of Business Administration from Texas A&M University. He serves as the Company's principal financial and accounting officer. Mr. Anders is a Certified Public Accountant in the State of Texas.

Sharon C. Davis joined the Company in 1992 and was previously employed by Arthur Andersen & Co. Ms. Davis was appointed as Executive Vice President and Chief Operating Officer in March 2015. Ms. Davis holds a Bachelor's of Business Administration degree in Accounting from the University of Houston. Ms. Davis is a Certified Public

Accountant in the State of Texas.

Geoffrey L. Griffith joined the Company in 2004 as President, GulfMark Energy, Inc. Mr. Griffith's roles and responsibilities have increased since joining the company in 2004. Mr. Griffith holds a Bachelor's of Arts in Business Administration from Colorado College.

James L. Brown joined the Company in 1986 as a terminal manager. He has served as President of Service Transport Company since 2013. Mr. Brown attended Lamar University.

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## SUMMARY COMPENSATION TABLE

The following table sets forth the total compensation of the Company's Chief Executive Officer, Chief Financial Officer and each of the Company's other most highly compensated executive officers during the fiscal years ended December 31, 2016, 2015 and 2014, whose total annual salary and bonus for fiscal 2016 exceeded \$100,000 (the named executive officers<sup>1</sup>). There were no pension plans, stock options, shares of restricted stock, or other equity awards granted by the Company during the periods presented.

Name and Principal Position	Annual Compensation				Total
	Year	Salary	Bonus	All Other <sup>(1)</sup>	
Thomas S. Smith <sup>(2)</sup> President and Chief Executive Officer	2016	\$400,000	\$-	\$14,565	\$414,565
	2015	\$329,230	\$-	\$13,010	\$342,241
Josh C. Anders <sup>(3)</sup> Executive Vice President, Chief Financial Officer and Treasurer	2016	\$2,308	\$-	\$-	\$2,308
Sharon C. Davis Executive Vice President, Chief Operating Officer and Chief Accounting Officer	2016	\$239,808	\$-	\$20,421	\$260,229
	2015	\$225,000	\$50,000	\$20,092	\$295,092
	2014	\$225,000	\$90,000	\$19,232	\$334,232
Geoffrey L. Griffith President, GulfMark Energy Company	2016	\$300,000	\$410,000	\$29,244	\$739,244
James L. Brown President, Service Transport Company	2016	\$180,000	\$15,000	\$16,936	\$211,936
Richard B. Abshire Former Executive Vice President, Chief Financial Officer and Treasurer	2016	\$193,558	\$-	\$10,761	\$204,319
	2015	\$245,289	\$50,000	\$15,055	\$310,344
	2014	\$200,000	\$-	\$10,441	\$210,441

All Other compensation includes employer matching contributions to the Company's 401(K) savings plan, a car (1) allowance, reimbursement for club dues and life and disability insurance premiums. The named executive officers receive no other perquisites or personal benefits.

<sup>(2)</sup> Mr. Smith was appointed as President and Chief Executive Officer in February 2015 with an annual salary of \$400,000. His compensation for 2014 was solely as a director.

<sup>(3)</sup> Mr. Anders joined the Company as Executive Vice President, Chief Financial Officer and Treasurer in December 2016.

## COMPENSATION, DISCUSSION AND ANALYSIS

## Background

The Company competes for talent in the Houston, Texas marketplace which is heavily tied to the energy industry and related fields. There is strong demand for executives in the energy industry (and Houston in particular). Within the public company community, Adams Resources & Energy, Inc. is consistently listed as one of the Houston areas' top 100 companies as ranked by revenues. As a measure of results, the Company's "Performance Graph" prepared under the applicable rules of the Securities and Exchange Commission appears in the Company's Annual Report on Form 10-K. The Performance Graph data indicates that the Company outperformed its Integrated Oil and Gas peer group in each of the last five years ended December 31, 2016. The Company outperformed the S&P 500 index in three of the last five years, but the S&P 500 has had higher returns than AE during the last two years.

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## Determine the Form and Amount of Compensation

### Compensation Philosophy and Objectives

The Company's compensation philosophy has the following objectives and executive compensation levels are determined in consideration thereof:

- Establish and maintain a level of compensation that is competitive within the Company's industry and region.
- Provide an incentive mechanism for favorable results.
- Maintain a compensation system that is consistent with the objectives of sound corporate governance.

### Design of Reward

As of December 31, 2016, it was the policy of the Company to pay all forms of compensation in cash. The Company is currently conducting a review to develop a long term incentive plan that appropriately aligns officers of the Company and promotes retention of talent. The Company management and the Compensation Committee review the results of the annual "Say on Pay" vote by shareholders for feedback on its executive compensation amounts.

### Elements of Compensation

Currently, the Company's executive compensation program comprises the following elements:

- Base salary
- Discretionary bonus
- Benefits

The Company utilizes these three elements of executive compensation to retain its executive officer group. Discretionary bonuses are also used as an incentive for favorable results. The discretionary bonus may also serve as a supplement to base salary levels, while allowing the Board flexibility when results are not consistent with expectations. Discretionary bonuses are anticipated to increase or decrease with the prevailing trend for consolidated net earnings, cash flow and execution of our growth strategy.

The Company also provides employee benefits, primarily consisting of a 401(k) Plan (discussed below) and an employer sponsored medical plan. The benefits provided to the executive officer group are no different than those offered to non-executive employees. Currently, the Company does not provide stock options or other common stock incentives. At the current time, the Company does not offer a defined benefit pension plan nor does it offer deferred compensation.

### Perquisites

The Company provides the following:

- Life and Disability Insurance Premiums
- Automobile Allowance
- Club Dues Reimbursement

Club dues reimbursements and automobile allowances are paid to the executive officers consistent with the payment of such amounts to non-executive employees. The requirement to pay such amounts is negotiated with the executive at the time of their initial employment. Life and disability insurance premiums are paid on behalf of the executives consistent with the payment of such insurance premiums for non-executive employees. Perquisite amounts are not considered annual salary for bonus purposes.



#### 401(k) Plan

The Company offers a 401(k) plan to its employees and its executive officers. As referenced in footnote (1) to the Summary Compensation Table, the Company makes a matching contribution to the plan. In 2016, the Company matched 100% of employee contributions up to 3% of compensation and matched 50% of employee contributions from 3% to 5% of compensation, subject to the Internal Revenue Service annual limits. This policy conforms to the Internal Revenue Service allowed safe harbor rules for matching contributions.

#### Compensation and Risk

In order to establish and maintain profitability, the Company becomes exposed to risk. The most significant areas of risk involve commodity price risk, customer credit risk, safety and security concerns and oil and gas exploration investment risk. Compensation policies for all employees are designed to promote the provision of management safeguards against risk and not incentivize excessive risk-taking. Compensation policies toward this aim include the following:

- generally short-term contractual obligations with actual results fixed and determinable prior to the payment of employee bonuses;
- a segregated internal reporting structure that puts the employees charged with managing and reporting risk on a separate reporting track from those employees committing the Company to contractual obligations, thereby providing independent monitoring of risk mitigation practices and procedures.

On a scheduled basis over the course of the year, Mr. Bell, representing the Compensation and Audit Committees, conducts interviews with key non-executive operating and accounting personnel to monitor compliance with the Company's designed internal control structure and overall corporate strategies. Management has concluded that compensation policies and practices are not reasonably likely to have a material adverse effect on the Company.

#### Compensation Process

-- Mr. Smith, President and Chief Executive Officer

Mr. Smith was appointed President and Chief Executive Officer of the Company in February 2015. Since Mr. Smith is a 46.9% beneficial owner of the Company's common stock, it was not practical to engage in the traditional formal employment negotiation process in order to determine his executive compensation. By mutual agreement between Mr. Smith and the Compensation Committee of the Board, Mr. Smith's annual base salary was set at \$400,000, an amount less than his predecessor's base salary but more than the current Chief Operating Officer's base salary. Mr. Smith requested that the Compensation Committee not consider him for a bonus in 2015 or 2016.

Pay Ratio Disclosure Rule

In August 2015 pursuant to a mandate of the Dodd-Frank Wall Street Reform and Consumer Protection Act (the “Dodd – Frank Act”), the Securities and Exchange Commission (“SEC”) adopted a rule requiring annual disclosure of the ratio of the median employee’s annual total compensation to the total annual compensation of the principal executive officer (PEO). The Company’s PEO is Mr. Smith. The purpose of the new required disclosure is to provide a measure of the equitability of pay within the organization. The Company believes its compensation philosophy and process yield an equitable result and is presenting such information in advance of the required disclosure date as follows:

Median Employee total annual compensation	\$ 70,057
Mr. Smith (PEO) total annual compensation	\$ 400,000
Ratio of PEO to Median Employee Compensation	5.7:1.0

In determining the median employee, a listing was prepared of all employees as of December 31, 2016. Employees on leave of absence were excluded from the list and wages and salaries were annualized for those employees that were not employed for the full year of 2016. The median amount was selected from the annualized list. For simplicity, the value of the Company’s 401(k) plan and medical benefits provided was excluded as all employees including the PEO are offered the exact same benefits and the Company utilizes the Internal Revenue Service safe harbor provision for 401(k) discrimination testing. As of December 31, 2016 the Company employed 654 persons of which 434 are professional truck drivers.

### Compensation Committee Interlocks and Insider Participation

None of the members of the Compensation Committee was an officer or employee of the Company or any of its subsidiaries, or was formerly an officer of the Company or any of its subsidiaries or had any relationship requiring disclosure by the Company during the year ended December 31, 2016. No executive officer of the Company has served as a member of the Compensation Committee (or other board committee performing equivalent functions) of another entity that had an executive officer serving as a member of the Company's Board of Directors or the Compensation Committee.

### COMPENSATION COMMITTEE REPORT

March 27, 2017

To the Board of Directors:

The following report of the Compensation Committee of the Board of Directors shall not be deemed to be "soliciting material" or to be "filed" with the Securities and Exchange Commission ("SEC") or subject to the SEC's proxy rules, except for the required disclosure in this Proxy Statement, or subject to the liabilities of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), except to the extent that the Company specifically incorporates by reference into any filing made by the Company under the Securities Act of 1933, as amended (the "Securities Act") or the Exchange Act.

The Compensation Committee of the Board of Directors consists of Messrs. Pressler, Reinauer and Jenner. The duties and responsibilities of the Compensation Committee are set forth in a written charter adopted by the Board of Directors and such charter is available on the Company's website at [www.adamsresources.com](http://www.adamsresources.com), under Investor Relations – Corporate Profile – Corporate Governance. Each of the members of the Compensation Committee is independent, as defined in Section 803A of the listing standards of the NYSE MKT Exchange.

We have reviewed and discussed with management the above Compensation Discussion and Analysis ("CD&A") and based on our review and discussions with management, we recommended to the Board of Directors that the CD&A be included in this Proxy Statement and the Company's Annual Report on Form 10-K for the year ended December 31, 2016.

Townes G. Pressler, Chairman  
E. C. Reinauer, Jr.  
Richard C. Jenner

## ITEM 2 - APPROVAL OF ADVISORY RESOLUTION ON EXECUTIVE COMPENSATION

Under the provisions of Section 951 of the Dodd-Frank Act, the shareholders of the Company are entitled to vote at the Annual Meeting to approve the compensation of the Company's named executive officers, as disclosed in this Proxy Statement pursuant to Item 402 of Regulation S-K. Pursuant to the Dodd-Frank Act, the shareholder vote on executive compensation is an advisory vote only, and it is not binding on the Company or the Board of Directors.

Although the vote is non-binding, the Compensation Committee and the Board of Directors value the opinions of the shareholders and will consider the outcome of the vote when making future compensation decisions. As described more fully in the "Compensation Discussion and Analysis" section of this Proxy Statement, the Company's executive compensation program is designed to provide aggregate compensation opportunities for its named executive officers that are both competitive in the business marketplace and are based upon Company and individual performance. Currently, the Company's policy is to pay all forms of compensation in cash. The Company is currently conducting a review to develop a long term incentive plan that appropriately aligns officers of the Company and promotes retention of talent.

The advisory vote regarding the compensation of the named executive officers described in this Item 2 shall be approved if the votes cast in favor of the proposal exceed the votes cast against the proposal. Abstentions and broker non-votes will not be counted as either votes cast for or against Item 2.

If no voting specification is made on a properly returned or voted proxy card, the persons named as proxy holders in the enclosed proxy have indicated they will vote "FOR" the approval of the compensation of the named executive officers as disclosed in this Proxy Statement and described in this Item 2.

The Board of Directors unanimously recommends a vote "FOR" the approval of the compensation of the named executive officers as disclosed in this Proxy Statement pursuant to item 402 of regulation S-K.

## ITEM 3 - FREQUENCY OF SHAREHOLDER ADVISORY RESOLUTION ON EXECUTIVE COMPENSATION

Under the Dodd-Frank Act, the shareholders of the Company are entitled to vote at the Annual Meeting regarding whether the shareholder vote to approve the compensation of the named executive officers as required by Section 14A(a)(2) of the Exchange Act (and as described in Item 3 of this Proxy Statement) should occur every one, two or three years. Under proposed regulations issued by the SEC (the "Proposed Regulations"), shareholders shall also have the option to abstain from voting on the matter. Pursuant to the Dodd-Frank Act, the shareholder vote on the frequency of the shareholder vote to approve executive compensation is an advisory vote only, and it is not binding on the Company or the Board of Directors.

Although the vote is non-binding, the Compensation Committee and the Board of Directors value the opinions of the shareholders and will consider the outcome of the vote when determining the frequency of the shareholder vote on executive compensation.

The Board of Directors has determined that an advisory shareholder vote on executive compensation that occurs every year is the simplest, best approach for the Company and its shareholders and is consistent with the Company's practice of paying all forms of compensation in cash, determined on an annual basis.

The Board of Directors recommends a vote FOR ONE YEAR on the proposal 3 regarding the frequency of the shareholder vote to approve the compensation of the named executive officers as required by Section 14A(a)(2) of the

Exchange Act. Note: Shareholders are not voting to approve or disapprove the Board of Directors' recommendation regarding proposal 2.

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## DIRECTOR COMPENSATION

Directors who are employees of the Company do not receive fees or any other compensation for their services as directors. Directors who are not employees received cash compensation as presented in the table below. Director fees are based on a flat amount and are paid on a quarterly basis. Directors are also reimbursed for direct out-of-pocket expenses in connection with travel associated with meeting attendance. There were no stock awards, option awards, non-equity incentive plans, pension plans or other non-qualified deferred compensation or other forms of compensation during 2016.

	2016 Director Compensation	
	Cash fees	Total
E. C. Reinauer, Jr.	\$60,000	\$60,000
Larry E. Bell	\$70,000	\$70,000
Townes G. Pressler	\$70,000	\$70,000
Murray E. Brasseux	\$60,000	\$60,000
Michelle A. Earley	\$60,000	\$60,000
Richard C. Jenner	\$45,000	\$45,000
W. R. Scofield	\$45,000	\$45,000

## PRINCIPAL ACCOUNTANT FEES AND SERVICES

Deloitte & Touche LLP performed the audit of the Company's consolidated financial statements for the year ended December 31, 2016. The scope and all fees associated with audit and other services performed by Deloitte & Touche LLP are pre-approved by the Audit Committee on an annual basis. The aggregate fees billed for 2016 and 2015 are set forth below:

	2016	2015
Audit Fees:		
Audit of Consolidated Financial Statements	\$825,000	\$930,000
Tax Fees	-	-
All Other Fees	-	-
Total	\$825,000	\$930,000

The Audit Committee, established in accordance with Section 3(a)(58)(A) of the Exchange Act, has the responsibility to assist the Board of Directors in fulfilling its fiduciary responsibilities as to accounting policies and reporting practices of the Company and its subsidiaries and the sufficiency of the audits of all Company activities. This committee is the Board's agent in ensuring the integrity of financial reports of the Company and its subsidiaries, and the adequacy of disclosures to shareholders. The Audit Committee is the focal point for communication between other directors, the independent auditors and management as their duties relate to financial accounting, reporting and controls. The Audit Committee is also responsible for reviewing the financial transactions of the Company involving any related parties.





### Audit Committee Pre-Approval Policies

The Audit Committee has established a policy intended to clearly define the scope of services performed by the Company's independent registered public accountants. This policy relates to audit services, audit-related services, tax and all other services that may be provided by the Company's independent registered public accountants and is intended to ensure that such services do not impair the auditor's independence. The policy requires the pre-approval by the Audit Committee of all services to be provided by the Company's independent registered public accountants. Under the policy, the Audit Committee will annually review and pre-approve the services that may be provided by the independent registered public accountants. The Audit Committee may delegate pre-approval authority to one or more of its members. The member or members to whom such authority is delegated is required to report to the Audit Committee at its next meeting any services that such member or members has approved. The policy also provides that the Audit Committee will pre-approve the fee levels for all services to be provided by the independent registered public accountants.

### REPORT OF THE AUDIT COMMITTEE

March 27, 2017

To the Board of Directors:

The Audit Committee of the Board of Directors currently consists of Messrs. Bell, Reinauer, Pressler, Brasseux, Jenner and Scofield. The duties and responsibilities of the Audit Committee are set forth in a written charter adopted by the Board of Directors, a copy of which is available on the Company's website at [www.adamsresources.com](http://www.adamsresources.com) under Investor Relations – Corporate Profile - Corporate Governance. Each member of the Audit Committee is independent, as defined in Section 803A of the listing standards of the NYSE MKT Exchange, and the Board has determined that Mr. Bell is an "audit committee financial expert" as defined by the SEC.

We have reviewed and discussed with management the Company's audited consolidated financial statements as of and for the year ended December 31, 2016.

The Audit Committee received from and discussed with Deloitte & Touche LLP the written disclosure and the letter required by applicable requirements of the Public Company Accounting Oversight Board regarding Deloitte & Touche LLP's communications with the audit committee concerning independence and has discussed with Deloitte & Touche LLP, the auditors independence. These items relate to that firm's independence from the Company. In addition, the Audit Committee has also discussed with Deloitte & Touche LLP the matters required to be discussed by applicable accounting standards. The Audit Committee monitored auditor independence, reviewed audit and non-audit services performed by Deloitte & Touche LLP and discussed with the auditors their independence. All of the services provided by the Company's principal accounting firm described in this proxy statement were approved in accordance with this policy, and the Audit Committee has determined that the independent registered public accountants' independence has not been compromised as a result of providing these services and receiving the fees for such services as noted above.

Based on the reviews and discussions referred to above, we recommend to the Board of Directors that the financial statements referred to above be included in the Company's Annual Report on Form 10-K for the year ended December 31, 2016.

Larry E. Bell, Chairman  
E. C. Reinauer, Jr.  
Townes G. Pressler  
Murray E. Brasseux  
Richard C. Jenner

W.R. Scofield

The information contained in the report above shall not be deemed to be "soliciting material" or to be "filed" with the SEC, nor shall such information be incorporated by reference into any future filing under the Securities Act or the Exchange Act, as amended, except to the extent that the Company specifically incorporates it by reference in such filing.

#### TRANSACTIONS WITH RELATED PERSONS

The late Mr. K. S. Adams, Jr., former Chairman of the Board and certain of his family partnerships and affiliates have participated as working interest owners with the Company's subsidiary, Adams Resources Exploration Corporation ("AREC"). Mr. Adams and the affiliates participated on terms similar to those afforded other non-affiliated working interest owners. While the affiliates have generally maintained their existing property interest, they have not participated in any such transactions originating after the death of Mr. Adams in October 2013. As of December 31, 2016, the Company owed less than \$65,000 in related party transactions between the Company and affiliates.

The Company also enters into certain transactions in the normal course of business with other affiliated entities including direct cost reimbursement for shared phone and administrative services. For the year ended December 31, 2016 the affiliated entities charged the Company less than \$60,000 on a net basis. The Company also leases its corporate office space in a building operated by an affiliated entity. The lease rental rate was determined by an independent appraisal. Rental expense paid to the related party for 2016 totaled \$0.6 million.

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## SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

The following table sets forth information regarding the number of shares of Common Stock of the Company held of record on March 27, 2017, (i) by the named executive officers, directors and nominees for director, (ii) by beneficial owners of more than five percent of the Common Stock, and (iii) by all officers and directors as a group. Unless otherwise stated below, the address of each beneficial owner listed on the table is c/o Adams Resources & Energy, Inc. 17 South Briar Hollow Lane, Suite 100, Houston, Texas 77027. Unless otherwise indicated, each person named below has sole voting and investment power over all shares of Common Stock indicated as beneficially owned.

Name and address of Beneficial Owner	Shares of Common Stock Beneficially Owned	Percent of Class
Thomas S. Smith	1,981,029 <sup>(1)</sup>	46.9 %
E. C. Reinauer, Jr.	8,161	*
Townes G. Pressler	1,000	*
Larry E. Bell	1,000	*
Michelle A. Earley	-	*
Murray E. Brasseux	-	*
Richard C. Jenner	-	*
W.R. Scofield	-	*
Sharon C. Davis	500	*
Josh C. Anders	-	*
Geoffrey L. Griffith	10,500	*
James L. Brown	-	*
KSA Industries, Inc. 17 South Briar Hollow Lane Houston, Texas 77027	1,644,275 <sup>(2)</sup>	38.9 %
Barclay Cunningham Adams 17 South Briar Hollow Lane Houston, Texas 77027	1,675,599 <sup>(2)</sup>	39.7 %
Kenneth Stanley Adams IV 17 South Briar Hollow Lane Houston, Texas 77027	2,007,653 <sup>(2)</sup>	47.6 %
Susan Cunningham Lewis 17 South Briar Hollow Lane Houston, Texas 77027	1,651,330 <sup>(2)</sup>	39.1 %
Susan Adams Smith 17 South Briar Hollow Lane Houston, Texas 77027	1,981,029 <sup>(2)</sup>	46.9 %
Amy Adams Strunk 17 South Briar Hollow Lane Houston, Texas 77027	1,976,928 <sup>(2)</sup>	46.8 %

Dimensional Fund Advisors LP 6300 Bee Cave Road Austin TX 78746	342,857	(3)	8.1	%
Renaissance Technologies LLC and Renaissance Technologies Holdings Corporation 800 Third Avenue New York, New York 10022	283,100	(4)	6.7	%
Officers and Directors as a group (12 persons)	2,002,190		47.5	%

\*Less than 1%

Includes 300 shares held directly, 3,801 shares held indirectly through Mr. Smith's spouse, 1,644,275 shares owned (1) by KSA Industries, Inc. and 332,653 shares owned by the Estates of K. S. Adams, Jr. and Nancy N. Adams with the spouse of Mr. Smith serving as a co-executor and co-trustee.

Based in part on information contained in Schedule 13D filings with the SEC on November 12, 2013. Mr. Barclay Adams, Mr. Kenneth Stanley Adams IV, Ms. Susan Cunningham Lewis, Ms. Susan Adams Smith and Ms. Amy Adams Strunk, collectively comprise all of the shareholders of KSA Industries, Inc. In addition to their indirect holding through KSA Industries, Inc., Mr. Barclay Adams holds 31,324 shares directly, Mr. Kenneth Stanley Adams IV holds 30,725 shares directly, Ms. Lewis holds 7,055 shares directly, and Ms. Smith holds 3,801 shares (2) directly. Ms. Smith also holds 300 shares indirectly through her spouse, Thomas S. Smith, Chairman. Effective February 2014, Mr. Kenneth Stanley Adams IV, Ms. Susan Adams Smith and Ms. Amy Adams Strunk became co-executors and co-trustees of the estates of Kenneth S. Adams, Jr and Nancy N. Adams. In addition to their above described beneficial holdings, the co-executors maintain beneficial ownership of 332,653 shares held by the estates and previously held directly by Kenneth S. Adams, Jr. or Nancy N. Adams.

Based solely on information contained in a Schedule 13G filed with the SEC on February 9, 2017 by Dimensional Fund Advisors LP. Dimensional Fund Advisor LP, an investment adviser registered under Section 203 of the Investment Advisors Act of 1940, furnishes investment advice to four investment companies registered under the Investment Company Act of 1940, and serves as investment manager to certain other commingled group trusts and (3) separate accounts (such investment companies, trusts and accounts, collectively referred to as the "Funds"). In certain cases, subsidiaries of Dimensional Fund Advisors LP may act as an adviser or sub-adviser to certain Funds. In its role as investment adviser, sub-adviser and/or manager, Dimensional Fund Advisors LP or its subsidiaries (collectively, "Dimensional") possess voting and/or investment power over these securities that are owned by the Funds, and may be deemed to be the beneficial owner of such securities held by the Funds. However, all securities reported herein are owned by the Funds. Dimensional disclaims beneficial ownership of such securities.

(4) Based solely on information contained in a Schedule 13G filed with the SEC on February 14, 2017.

Section 16(a) Beneficial Ownership Reporting Compliance

Based solely upon a review of Forms 3 and 4 and amendments thereto furnished to the Company during its most recent fiscal year and Forms 5 and amendments thereto furnished to the Company with respect to its most recent fiscal year, and written representations from reporting persons that no Form 5 was required, the Company believes that all required Form 3, 4 and 5 reports for transactions occurring in 2016 were timely filed.

CODE OF ETHICS

The Company has adopted a code of ethics (the "Code of Ethics") that applies to all officers, directors and employees, including the Company's principal executive officer, principal financial and accounting officer, and persons performing similar functions (the "Principal Officers"). A copy of the Code of Ethics is posted on the Company's website at [www.adamsresources.com](http://www.adamsresources.com) under Investor Relations – Corporate Profile – Corporate Governance and the Company intends to satisfy the disclosure requirement under Item 5.05 of Form 8-K regarding an amendment to, or waiver from, a provision of its Code of Ethics with respect to its Principal Officers by posting such information on this Internet website.

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## ADDITIONAL INFORMATION

### Appointment of Auditors

The present intention of the Audit Committee of the Board of Directors is to appoint Deloitte & Touche LLP, independent registered public accountants, to audit the financial statements of the Company for the year ending December 31, 2017. Deloitte & Touche LLP was first appointed as the Company's auditors in 2002. A representative of Deloitte & Touche LLP will be present at the Annual Meeting of Shareholders and will be given an opportunity to make a statement if they so desire and will be available to respond to appropriate questions.

### Shareholder Proposals

Under the rules of the SEC, in order to be considered for inclusion in next year's proxy statement, all shareholder proposals must be submitted in writing by November 30, 2017 to Adams Resources & Energy, Inc., c/o Investor Relations Manager, 17 South Briar Hollow Lane, Suite 100, Houston, Texas 77027. The notice should contain the text of any proposal, the name and address of the shareholder as it appears in the books of the Company, the number of common shares of the Company that are beneficially owned by the shareholder, and any material interest of the shareholder in such business. If a shareholder submits a proposal for consideration at the 2018 Annual Meeting after November 27, 2017, the Company's proxy for the 2018 Annual Meeting may confer discretionary authority to vote on such matter without any discussion of such matter in the proxy statement for the 2018 Annual Meeting.

### Other Matters

The Company knows of no matters to be presented for consideration at the Annual Meeting other than those described above. If other matters are properly presented to the meeting for action, it is intended that the persons named in the accompanying proxy, and acting pursuant to authority granted thereunder, will vote in accordance with their best unanimous judgment on such matters.

### Number of Proxy Statements and Annual Reports

Only one copy of this Proxy Statement and the Annual Report accompanying this Proxy Statement will be mailed to shareholders who have the same address unless the Company receives a request that the shareholders with the same address are to receive separate Proxy Statements and Annual Reports. These additional copies will be supplied at no additional cost to the requesting shareholder. Shareholders who share an address and receive only one copy, or shareholders who share an address and receive two copies, may notify the Company that they wish to receive separate Annual Reports or Proxy Statements, or wish to receive only one Annual Report and Proxy Statement, as applicable, may notify the Company of such request by calling (713) 881-3600 or sending a written request to 17 South Briar Hollow Lane, Suite 100, Houston, Texas 77027.

**REGARDLESS OF THE NUMBER OF SHARES YOU OWN, IT IS IMPORTANT THAT THEY BE REPRESENTED AT THE MEETING, AND YOU ARE RESPECTFULLY REQUESTED TO SIGN, DATE AND RETURN THE PROXY CARD IN THE ENVELOPE PROVIDED AS SOON AS POSSIBLE.**

By Order of the Board of Directors

/s/ David B. Hurst  
David B. Hurst  
Secretary

Houston, Texas  
March 27, 2017

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