



**200 W. Forsyth Street, 7th Floor  
Jacksonville, FL 32202**

December 16, 2019

Dear Shareholder:

You are cordially invited to attend the annual meeting of the shareholders of Patriot Transportation Holding, Inc. ("**Patriot**") to be held on Wednesday, January 29, 2020 at 11:00 a.m., local time, in the Concourse Conference Room at 200 West Forsyth Street, Jacksonville, Florida 32202.

We are soliciting proxies for use at the annual meeting of Patriot's shareholders to consider and vote upon proposals to (i) elect the five director nominees listed in the proxy statement for a one-year term (the "**Director Election Proposal**"), (ii) ratify the audit committee's selection of the independent auditor (the "**Auditor Proposal**"), and (iii) approve, on an advisory basis, the executive compensation of our named executive officers (the "**Compensation Proposal**"). **Our board of directors recommends that you vote "FOR" each of the foregoing proposals.**

**Your vote is very important.** The approval, on a non-binding, advisory basis, of the Auditor Proposal and the Compensation Proposal each requires approval by a majority of Patriot common stock votes cast on the matter at the annual meeting. The outcome of the Director Election Proposal will be determined by a plurality of the votes cast at the annual meeting. Whether or not you plan to attend the annual meeting, please vote your shares by signing and returning the enclosed proxy card as soon as possible to make sure that your shares of Patriot common stock are represented at the annual meeting. If you hold your shares in "street name" you should instruct your broker how to vote in accordance with your voting instruction card.

The accompanying proxy statement provides you with detailed and important information about the annual meeting and the other business to be considered by Patriot's shareholders. We encourage you to read the entire proxy statement carefully. You may also obtain more information about Patriot from documents we have filed with the U.S. Securities and Exchange Commission.

On behalf of your board of directors, we thank you for your continued support.

Very truly yours,

A handwritten signature in black ink, appearing to read "R. Sandlin", is written over a light blue horizontal line.

Robert E. Sandlin  
*President & CEO*

This proxy statement is dated December 16, 2019 and is first being mailed to shareholders on or about December 23, 2019.



**200 W. Forsyth Street, 7th Floor  
Jacksonville, FL 32202**

## **NOTICE OF ANNUAL MEETING OF SHAREHOLDERS TO BE HELD JANUARY 29, 2020**

The annual meeting of the shareholders of Patriot Transportation Holding, Inc. ("**Patriot**") will be held on January 29, 2020 at 11:00 a.m., local time, in the Concourse Conference Room at 200 West Forsyth Street, Jacksonville, Florida 32202., for the following purposes:

1. To elect the five director nominees listed in the accompanying proxy statement for a one-year term (the "**Director Election Proposal**");
2. To ratify the audit committee's selection of the Company's independent registered public accounting firm (the "**Auditor Proposal**"); and
3. To approve, on an advisory basis, the compensation of the Company's named executive officers (the "**Compensation Proposal**").

The board of directors of Patriot recommends that you vote "**FOR**" the election of the five nominees listed in the Director Election Proposal, "**FOR**" the Auditor Proposal, and "**FOR**" the Compensation Proposal. **We urge you to read this material carefully.**

Our board of directors has fixed the close of business on December 16, 2019 as the record date for the determination of shareholders entitled to notice and to vote at the annual meeting or any postponement or adjournment thereof. Only holders of record of shares of Patriot common stock at the close of business on the record date are entitled to notice of, and to vote at, the annual meeting and any postponements or adjournments thereof. At the close of business on the record date, Patriot had 3,351,329 shares of common stock outstanding and entitled to vote.

The ratification of the Auditor Proposal and the approval, on a non-binding, advisory basis, of the Compensation Proposal each require approval of a majority of the votes cast at the annual meeting. The outcome of the Director Election Proposal will be determined by a plurality of the votes cast at the annual meeting.

Whether you own few shares or many shares and whether you plan to attend in person or not, it is important that your shares be voted on matters that come before the annual meeting. If you do not attend the meeting and vote in person, you may authorize a proxy to vote by marking your votes on the proxy card, signing and dating it, and mailing it in the envelope provided. If you sign and return your proxy card without specifying your choices, it will be understood that you wish to have your shares voted in accordance with the directors' recommendations. Any proxy given by a shareholder may be revoked by the shareholder at any time prior to the voting of the proxy, by delivering a written notice of revocation to our Secretary, by executing and delivering a later-dated proxy or by attending the annual meeting and voting in person. Your prompt cooperation will be greatly appreciated. Everyone attending the annual

meeting may be required to present valid picture identification, such as a driver's license or passport, as more fully described elsewhere in this proxy statement.

**Your vote is very important. This proxy statement provides you with detailed information about the Proposals. We encourage you to read the accompanying proxy statement carefully and in its entirety and to submit a proxy or voting instructions so that your shares will be represented and voted even if you do not attend the annual meeting.** If you have questions about the foregoing proposals or would like additional copies of the proxy statement, please contact: Patriot Transportation Holding, Inc., Attention: Matthew C. McNulty, Corporate Secretary, 200 W. Forsyth Street, 7th Floor, Jacksonville, FL 32202 (telephone: (904) 858-9100).

All Patriot shareholders are cordially invited to attend the annual meeting in person.

**By Order of the Board of Directors,**

Matthew C. McNulty  
*Executive Vice President, Chief Financial  
Officer and Secretary*

December 16, 2019

**IMPORTANT: If you hold shares of Patriot common stock through an account with a broker, dealer, bank or other nominee please follow the instructions you receive from them to vote your shares.**

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## PROXY STATEMENT

### INTRODUCTION

The accompanying proxy, mailed together with this proxy statement, is solicited by and on behalf of the board of directors (which we refer to in this proxy statement as the “**Patriot Board**”) of Patriot Transportation Holding, Inc. (which we refer to in this proxy statement as “**Patriot**” or the “**Company**”) for use at the annual meeting of our shareholders and at any adjournment or postponement thereof. References in this proxy statement to “we,” “us,” “our” or like terms also refer to Patriot. This proxy statement is dated December 16, 2019 and is first being mailed to shareholders on or about December 23, 2019.

### SUMMARY

*This summary highlights selected information from this proxy statement. It may not contain all of the information that is important to you with respect to the matters described in this proxy statement. We urge you to carefully read this proxy statement, as well as the documents attached hereto, referred to or incorporated by reference into this proxy statement, to fully understand the Proposals. For a list of documents incorporated by reference into this proxy statement, see the section entitled “Where You Can Find Additional Information” beginning on page 32.*

#### **The Annual Meeting (See page 8)**

The annual meeting will be held on January 29, 2020 at 11:00 a.m., local time, in the Concourse Conference Room at 200 West Forsyth Street, Jacksonville, Florida 32202..

At the annual meeting, holders of Patriot common stock as of the record date will be asked to consider and vote upon:

- the proposal to approve to elect the five director nominees listed in the accompanying proxy statement for a one-year term (the “**Director Election Proposal**”);
- the proposal to ratify the audit committee’s selection of the Company’s independent registered public accounting firm (the “**Auditor Proposal**”); and
- the proposal to approve, on an advisory basis, the compensation of the Company’s named executive officers (the “**Compensation Proposal**”).

#### **Required Vote (See page 8)**

*The Director Election Proposal:* Each director must be elected by a plurality of the votes cast, meaning a director nominee who received the highest number of affirmative votes cast is elected. Any shares not voted (whether by abstention, withholding authority, or broker non-vote) will have no effect on the Director Election Proposal.

*The Auditor Proposal:* This proposal requires the approval by a majority of the votes cast on the matter at the annual meeting. Any shares not voted (whether by abstention or withholding authority) will have no effect on the Auditor Proposal.

*The Compensation Proposal:* This proposal requires the approval by a majority of the votes cast on the matter at the annual meeting. Any shares not voted (whether by abstention, withholding authority, or broker non-vote) will have no effect on the Compensation Proposal.

The Director Election Proposal, the Auditor Proposal and the Compensation Proposal are collectively referred to herein as the “**Proposals**”.

Brokers who hold shares in “street name” for customers have the authority to vote on “routine” proposals when they have not received instructions from beneficial owners. However, brokers are precluded from exercising their voting discretion with respect to approval of non-routine matters, so absent specific instructions from the beneficial owner of such shares, brokers will not vote those shares. This is referred to as a “broker non-vote”. Broker non-votes will be considered as “present” for purposes of determining a quorum, but will have no effect on the Proposals.

### **Record Date (See page 8)**

The record date for the determination of holders of Patriot common stock entitled to notice of and to vote at the annual meeting, or any adjournment or postponement of the annual meeting, is the close of business on December 16, 2019. Holders of Patriot common stock as of the close of business on the record date are entitled to notice of, and to vote at, the annual meeting and any postponements or adjournments of the annual meeting. At the close of business on the record date, Patriot had 3,351,329 shares of common stock outstanding and entitled to vote.

### **Quorum (See page 8)**

Holders of a majority of shares of Patriot common stock entitled to vote at the annual meeting must be present at the annual meeting, in person or by proxy, to constitute a quorum, which is necessary to conduct the annual meeting. Your shares will be counted toward the quorum if you submit a properly executed proxy or vote at the annual meeting. In addition, abstentions and broker non-votes will be treated as “present” for the purpose of determining the presence of a quorum for the transaction of business at the annual meeting. If a quorum is not present at the annual meeting, Patriot expects that the annual meeting will be adjourned to a later date.

### **Recommendation of Patriot’s Board of Directors**

The Patriot Board recommends that you vote “**FOR**” the Director Election Proposal, “**FOR**” the Auditor Proposal and “**FOR**” the Compensation Proposal.

## QUESTIONS AND ANSWERS ABOUT THE ANNUAL MEETING

*The following are some questions that you, as a shareholder of Patriot, may have regarding the annual meeting, together with brief answers to those questions. Patriot urges you to read carefully the remainder of this proxy statement and other documents referred to or incorporated by reference in this proxy statement, because the information in this section may not provide all of the information that might be important to you with respect to the annual meeting.*

### **The Annual Meeting**

**Q. When and where will the annual meeting take place?**

- A. The annual meeting of Patriot shareholders will be held on January 29, 2020 at 11:00 a.m., local time, in the Concourse Conference Room at 200 West Forsyth Street, Jacksonville, Florida 32202.

**Q. What is the purpose of the annual meeting and what will I be voting on at the annual meeting?**

- A. The purpose of the annual meeting is to consider and vote on three proposals:

*The Director Election Proposal:* The Patriot Board has determined that it is in the best interests of Patriot shareholders to elect John E. Anderson, Edward L. Baker, Thompson S. Baker II, Luke E. Fichthorn III and Charles D. Hyman, to serve as directors of the Company until the next annual meeting of shareholders and until their successors are duly elected and qualified.

*The Auditor Proposal:* The Patriot Board has determined that it is in the best interests of Patriot and its shareholders for the shareholders to ratify the audit committee's selection of Hancock Askew & Co., LLP to serve as Patriot's independent auditor for fiscal year 2020.

*The Compensation Proposal:* The Patriot Board has determined that it is in the best interests of Patriot shareholders to approve, on a non-binding, advisory basis, the compensation awarded to our named executive officers for the fiscal year ended September 30, 2019.

Patriot does not expect to transact any other business at the annual meeting or any adjournment or postponement thereof.

### **Voting at the Annual Meeting**

**Q. Who can attend and vote at the annual meeting?**

- A. The record date for the determination of holders of our common stock entitled to notice of and to vote at the annual meeting, or any adjournment or postponement of the annual meeting, is the close of business on December 16, 2019. Holders of Patriot common stock as of the close of business on the record date are entitled to notice of, and to vote at, the annual meeting. At the close of business on the record date, there were 3,351,329 shares of Patriot common stock issued and outstanding.

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



A. Each share of Patriot common stock is entitled to one vote on all matters that come before the annual meeting or any postponement or adjournment thereof.

**Q: How does the Patriot Board recommend that Patriot shareholders vote with respect to each of the proposals?**

A: The Patriot Board recommends that the Patriot shareholders vote “**FOR**” each of the nominees listed in the Director Election Proposal, “**FOR**” the Auditor Proposal and “**FOR**” the Compensation Proposal. Information about each of the Proposals is included in the accompanying proxy statement.

**Q: What vote is required to approve each proposal?**

A. *The Director Election Proposal:* Each director must be elected by a plurality of the votes cast, meaning a director nominee who received the highest number of affirmative votes cast is elected. Any shares not voted (whether by abstention, withholding authority, or broker non-vote) will have no effect on the Director Election Proposal.

*The Auditor Proposal:* This proposal requires the approval by a majority of the votes cast on the matter at the annual meeting. Any shares not voted (whether by abstention or withholding authority) will have no effect on the Auditor Proposal.

*The Compensation Proposal:* This proposal requires the approval by a majority of the votes cast on the matter at the annual meeting. Any shares not voted (whether by abstention, withholding authority, or broker non-vote) will have no effect on the Compensation Proposal.

As of the record date, the Patriot directors and named executive officers own or control 10.25% of Patriot’s outstanding shares of common stock and intend to vote such shares “**FOR**” each of the Proposals.

**Q: What do I need to do now and how do I vote?**

A: Patriot urges you to read this proxy statement carefully, including its annexes, and to consider how the actions contemplated by each of the Proposals may affect you.

If your shares of Patriot common stock are registered directly in your name with Patriot’s transfer agent, you are considered, with respect to those shares, to be the “shareholder of record,” and the proxy materials and proxy card are being sent directly to you by Patriot.

As a shareholder of record, you may vote your shares at the annual meeting:

- ***In Person.*** You may vote your shares in person at the annual meeting (if you satisfy the admission requirements, as described below). Even if you plan to attend the annual meeting in person, we encourage you to vote in advance by mail so that your vote will be counted in the event you later decide not to attend the annual meeting.
- ***By Mail.*** You may authorize a proxy to vote your shares by completing, signing, dating and promptly returning the proxy card in the postage-paid return envelope provided with the proxy materials for receipt prior to the annual meeting.

Everyone attending the annual meeting may be required to present valid picture identification, such as a driver's license or passport. If your shares are held through an account with a broker, dealer, bank or other nominee, you will need a recent brokerage account statement or letter from your broker, dealer, bank or other nominee reflecting stock ownership as of the record date. If you do not have valid picture identification and, if applicable, a recent brokerage account statement or letter from your broker, dealer, bank or other nominee reflecting stock ownership as of the record date, you may not be admitted to the annual meeting.

**Q. How will proxies be voted?**

A. Shares represented by valid proxies will be voted at the annual meeting in accordance with the directors given. If the enclosed proxy card is signed and returned without any directions, the shares will be voted:

- “**FOR**” each of the nominees listed in the Director Election Proposal;
- “**FOR**” the Auditor Proposal; and
- “**FOR**” the Compensation Proposal.

**Q. What happens if I do not sign and return my proxy card or vote by mail or in person at the annual meeting?**

A. If you are a shareholder of record of Patriot common stock and you do not sign and return your proxy card or vote by mail in person, your shares will not be voted at the annual meeting and will not be counted as present for the purpose of determining the presence of a quorum, which is required to transact business at the annual meeting.

Assuming the presence of a quorum, the failure to return your proxy card or otherwise vote your shares at the annual meeting will have no effect on the outcome of the Proposals.

**Q. What if I abstain from voting?**

A. If you attend the annual meeting or submit a proxy card, but affirmatively elect to abstain from voting, your proxy will be counted as present for the purpose of determining the presence of a quorum for the annual meeting, but will not be voted at the annual meeting. As a result, your abstention will have the same effect as voting “**AGAINST**” the Auditor Proposal and the Compensation Proposal but will have no effect on the Director Election Proposal.

**Q. What is a broker non-vote?**

A. Broker non-votes are shares held in “street name” by brokers, dealers, banks and other nominees that are present or represented by proxy at the annual meeting, but with respect to which the broker, dealer, bank or other nominee is not instructed by the beneficial owner of such shares how to vote on a particular proposal and such broker, dealer, bank or nominee does not have discretionary voting power on such proposal.

If a beneficial owner of shares of Patriot common stock held in “street name” does not give voting instructions to the broker, dealer, bank or other nominee with respect to non-routine proposals, then those shares will be treated as present for purposes of establishing quorum but

will not be voted with respect to such non-routine proposals and, therefore, will have no effect on the outcome of the non-routine proposals.

**Q: If my shares of Patriot common stock are held in “street name” by my broker, dealer, bank or other nominee, will my broker, dealer, bank or nominee vote my shares for me and may I vote in person?**

A: If your shares of Patriot common stock are held through an account with a broker, dealer, bank or nominee, you are considered the beneficial owner of shares held in “street name,” and these proxy materials are being forwarded to you together with a voting instruction card. You must provide the record holder of your shares with instructions on how to vote your shares. Please follow the voting instructions provided by your broker, dealer, bank or other nominee. Please note that you may not vote shares held in “street name” by returning a proxy card directly to Patriot.

As the beneficial owner, you are also invited to attend the annual meeting in person. However, since a beneficial owner is not the shareholder of record, you may not vote these shares in person at the annual meeting unless you obtain a “legal proxy” from the broker, dealer, bank or other nominee that holds your shares giving you the right to vote the shares in person at the annual meeting.

**Q: May I revoke or change my vote after I have provided proxy instructions?**

A: Yes. You may revoke or change your vote at any time before your proxy is voted at the annual meeting. You can do this in one of three ways: (i) delivering written notice to Patriot’s Corporate Secretary at Patriot’s principal executive office; (ii) executing and delivering a proxy bearing a later date to Patriot’s Corporate Secretary at Patriot’s principal executive office; or (iii) voting in person at the annual meeting. Your attendance at the annual meeting without further action on your part will not automatically revoke your proxy. If you have instructed your broker, dealer, bank or other nominee to vote your shares, you must follow directions received from your broker, dealer, bank or other nominee in order to change those instructions.

**Q. What constitutes a “quorum” for the annual meeting?**

A. Holders of a majority of shares of Patriot common stock entitled to vote at the annual meeting must be present at the annual meeting, in person or by proxy, to constitute a quorum, which is necessary to conduct the annual meeting. Your shares will be counted toward the quorum if you submit a properly executed proxy or vote at the annual meeting. In addition, abstentions and broker non-votes will be treated as “present” for the purpose of determining the presence of a quorum for the transaction of business at the annual meeting. If a quorum is not present at the annual meeting, Patriot expects that the annual meeting will be adjourned to a later date.

**Q: Who is paying for this proxy solicitation?**

A: Patriot will pay the entire cost of preparing, assembling, printing, mailing and distributing these proxy materials and soliciting votes. Patriot will bear any fees paid to the SEC. Patriot may reimburse brokerage firms, custodians, nominees, fiduciaries and other persons representing beneficial owners for their reasonable expenses in forwarding solicitation material to such beneficial owners. Patriot’s directors, officers and employees may also solicit proxies in person or by other means of communication. Such directors, officers and employees will not be additionally

compensated but may be reimbursed for reasonable out-of-pocket expenses in connection with such solicitation.

**Q. What does it mean if I received more than one proxy card?**

- A. If you received more than one proxy card, your shares are likely registered in more than one name or are held in more than one account. These should each be voted and/or returned separately in order to ensure that all of your shares of Patriot common stock are voted.

**Q. Whom should I contact if I have any questions about the annual meeting?**

- A. If you have any questions about the annual meeting, or if you need assistance in submitting your proxy or voting your shares or need additional copies of this proxy statement or the enclosed proxy card, you should contact Patriot at the address or telephone number listed below:

**Patriot Transportation Holding, Inc.**

200 W. Forsyth Street, 7th Floor

Jacksonville, FL 32202

Attn: Corporate Secretary

(904) 858-9100

If your shares are held through an account with a broker, dealer, bank or other nominee, you should call your broker, dealer, bank or other nominee for additional information.

**Q. Where can I find more information?**

- A. Additional information about us can be obtained from the various sources described under “Where You Can Find Additional Information” in this proxy statement.

## **THE ANNUAL MEETING**

### **Time, Date and Place**

The annual meeting will be held on January 29, 2020 at 11:00 a.m., local time, in the Concourse Conference Room at 200 West Forsyth Street, Jacksonville, Florida 32202.

### **Proposals**

At the annual meeting, or any postponement or adjournment thereof, holders of shares of Patriot common stock on the record date will consider and vote upon (i) the Director Election Proposal; (ii) the Auditor Proposal; and (iii) the Compensation Proposal. Patriot does not expect to transact any other business at the annual meeting or any adjournment or postponement thereof.

### **Recommendations of the Patriot Board**

The Patriot Board has approved each of the proposals and recommends that you vote “**FOR**” each of the nominees listed in the Director Election Proposal, “**FOR**” the Auditor Proposal and “**FOR**” the Compensation Proposal.

### **Required Vote**

*The Director Election Proposal:* Each director must be elected by a plurality of the votes cast, meaning a director nominee who received the highest number of affirmative votes cast is elected. Any shares not voted (whether by abstention, withholding authority, or broker non-vote) will have no effect on the Director Election Proposal.

*The Auditor Proposal:* This proposal requires the approval by a majority of the votes cast on the matter at the annual meeting. Any shares not voted (whether by abstention or withholding authority) will have no effect on the Auditor Proposal.

*The Compensation Proposal:* This proposal requires the approval by a majority of the votes cast on the matter at the annual meeting. Any shares not voted (whether by abstention, withholding authority, or broker non-vote) will have no effect on the Compensation Proposal.

### **Quorum**

Holders of a majority of shares of Patriot common stock entitled to vote at the annual meeting must be present at the annual meeting, in person or by proxy, to constitute a quorum, which is necessary to conduct the annual meeting. Your shares will be counted toward the quorum if you submit a properly executed proxy or vote at the annual meeting. In addition, abstentions and broker non-votes will be treated as “present” for the purpose of determining the presence of a quorum for the transaction of business at the annual meeting. If a quorum is not present at the annual meeting, Patriot expects that the annual meeting will be adjourned to a later date.

### **Record Date**

The Patriot Board has fixed the close of business on December 16, 2019 as the record date for the determination of shareholders entitled to notice of and to vote at the meeting or any postponement or adjournment thereof. On the record date, 3,351,329 shares of common stock were issued and outstanding.

Each holder of record of common stock is entitled to one vote for each share common stock held on each of the proposals.

### **Proxies**

You may authorize a proxy to vote your shares by completing, signing, dating and promptly returning the proxy card in the postage-paid return envelope provided with the proxy materials for receipt prior to the annual meeting.

Unless contrary instructions are indicated, the votes entitled to be cast by shares of common stock represented by valid proxies will be cast “**FOR**” each of the nominees listed in the Director Election Proposal, “**FOR**” the Auditor Proposal and “**FOR**” the Compensation Proposal. If a shareholder gives specific voting instructions, the votes entitled to be cast by the shareholder will be cast in accordance with such instructions. In the absence of instructions to the contrary, it is the intention of the persons named in the accompanying proxy to vote the shares represented thereby in accordance with their discretion on any other matters properly brought before the annual meeting and discretionary authority to do so is included in the proxy.

The persons named as proxies are Thompson S. Baker II and Robert E. Sandlin.

### **Officer and Secretary**

Your vote is important. Please return your marked proxy card promptly so your shares of common stock can be represented, even if you plan to attend the annual meeting in person.

### **Shares Held in “Street Name”; Broker Non-Votes**

If you hold your shares of Patriot common stock through a broker or nominee and wish to vote, you must follow the voting instructions provided to you by your broker or other nominee. If you do not receive a voting instruction card from your broker, please contact your broker promptly to obtain the voting instruction card. Your vote is important to the success of the proposals.

Brokers who hold shares in “street name” for customers have the authority to vote on “routine” proposals when they have not received instructions from beneficial owners. However, brokers are precluded from exercising their voting discretion with respect to approval of non-routine matters and, as a result, absent specific instructions from the beneficial owner of such shares, brokers will not vote those shares. This is referred to as a “broker non-vote”. Broker non-votes will be considered as “present” for purposes of determining a quorum. Broker non-votes will have no effect on the Proposals.

### **Revocation of Proxies**

Any proxy given by a shareholder may be revoked by the shareholder at any time prior to the voting of the proxy, by (i) delivering written notice to Patriot’s Corporate Secretary at Patriot’s principal executive office; (ii) executing and delivering a proxy bearing a later date to Patriot’s Corporate Secretary at Patriot’s principal executive office; or (iii) voting in person at the annual meeting.. If a shareholder’s shares are held in “street name”, the shareholder must contact its broker, bank or other nominee to change its vote.

### **Cost of Proxy Solicitation**

This proxy statement is being provided to the Patriot shareholders in connection with the solicitation of proxies by the Patriot Board to be voted at the annual meeting and at any adjournments or postponements of the annual meeting. Patriot will bear the costs of printing, filing and mailing this proxy statement and will pay the entire cost of soliciting proxies and holding the annual meeting.

Patriot is making this solicitation by mail, but Patriot's directors and officers also may solicit by mail, telephone, facsimile, electronic transmission, personal interview or otherwise. Such directors and officers will not receive additional compensation for soliciting proxies.

Patriot will reimburse brokerage firms and other custodians, nominees and fiduciaries for their reasonable expenses incurred in sending proxies and proxy materials to beneficial owners.

### **Assistance**

If you have any questions about the annual meeting, or if you need assistance in submitting your proxy or voting your shares or need additional copies of this proxy statement or the enclosed proxy card, you should contact Patriot at the address or telephone number listed below:

**Patriot Transportation Holding, Inc.**  
200 W. Forsyth Street, 7th Floor  
Jacksonville, FL 32202  
Attn: Corporate Secretary  
(904) 858-9100

If your shares are held through an account with a broker, dealer, bank or other nominee, you should call your broker, dealer, bank or other nominee for additional information.

### **PROPOSAL NO. 1: THE DIRECTOR ELECTION PROPOSAL**

Pursuant to our Articles of Incorporation, all directors elected at the Annual Meeting will serve a one-year term. The Patriot Board has nominated Messrs. John E. Anderson, Edward L Baker, Thompson S. Baker II, Luke E. Fichthorn III and Charles D. Hyman to be elected to serve as directors of the Company until the next annual meeting of shareholders and until their successors are duly elected and qualified. Biographical information relating to our directors and director nominees is provided under the section of this Proxy Statement entitled "Board of Directors and Corporate Governance."

If you are a shareholder of record, your proxy will be voted "FOR" the election of the persons nominated unless you indicate otherwise. If any of the nominees named should become unavailable for election for any presently unforeseen reason, the persons named in the proxy shall have the right to vote for a substitute as may be designated by the Patriot Board to replace such nominee, or the Patriot Board may reduce the number of directors accordingly.

The Patriot Board unanimously recommends a vote "FOR" the election of these nominees as directors.

## BOARD OF DIRECTORS & CORPORATE GOVERNANCE

The following sections provide an overview of Patriot’s corporate governance standards and processes, including the independence and other criteria we use in selecting our director nominees, the Patriot Board leadership structure, risk oversight, shareholder communications and responsibilities of the Patriot Board and its Committees. Our corporate governance principles govern the operation of the Patriot Board of Directors and its Committees and guide our executive leaders in the execution of their responsibilities.

### Our Board of Directors

Listed below are five director nominees, four of whom have served as a Board member for the Company since the spin-off (the “Spin-off”) of Patriot from FRP Holdings, Inc. (“FRPH”) and for FRPH prior to the Spin-off. The Board is comprised of a group of leaders in their respective fields. Many directors have senior leadership experience and board and committee experience with public companies. In these positions, they have gained significant and diverse management experience.

Name	Current Position	Age	History With The Company
John E. Anderson	Director	74	<ul style="list-style-type: none"> <li>• Director since 2014</li> <li>• Director of FRPH: 1989-2003 and 2005-Spin-off</li> <li>• President and Chief Executive Officer of FRPH: 1989-2008</li> </ul>
Edward L. Baker	Director	84	<ul style="list-style-type: none"> <li>• Director since 2014</li> <li>• Director of FRPH: 1986- Spin-off</li> <li>• Chairman Emeritus FRPH- 2008- Spin-off</li> <li>• Chairman of the Board of FRPH: 1986-2007</li> </ul>
Thompson S. Baker II	Chairman of the Board Director	61	<ul style="list-style-type: none"> <li>• Director since 2014</li> <li>• President and Chief Executive Officer of the Company: Spin-off- 2017</li> <li>• Director of FRPH: 1994- Spin-off</li> <li>• President of FRPH: 2010- 2015</li> <li>• Chief Executive Officer of FRPH: 2010- 2017</li> </ul>
Luke E. Fichthorn III	Director	78	<ul style="list-style-type: none"> <li>• Director since 2014</li> <li>• Director of FRPH: 1989- Spin-off</li> </ul>
Charles D. Hyman	Director	61	<ul style="list-style-type: none"> <li>• Director of PATI since 2016.</li> </ul>

You will be asked to vote on the election of the members of the Board of Directors at the Annual Meeting. The Board and the Nominating and Corporate Governance Committee believes that each director nominee brings a strong and unique set of attributes, experience, leadership and skills in areas of importance to our Company that create a well-balanced, collaborative team that serves the Company and its shareholders well. The biographies below describe each director nominee and his qualifications that led the Nominating and Corporate Governance Committee to nominate these individuals.

John E. Anderson, age 74, has served as a director of the Company since December 3, 2014. Mr. Anderson served as President and Chief Executive Officer of FRP Holdings, Inc. from 1989 to 2008 and as a director from 1989 to 2003, and again from October 2005 to January 2015. Mr. Anderson's many



years as an executive officer and director of a public company demonstrates his leadership abilities and provides the Board with the benefit of his extensive knowledge regarding the Company and the transportation industry.

Edward L. Baker, age 84, was elected as a director of the Company on December 3, 2014. Mr. Baker served as a director of FRP Holdings, Inc. from 1986 to January, 2015 and served as Chairman Emeritus from 2008 to 2015. He served as President of Florida Rock Industries, Inc. from 1970 to 1989. He served as Chairman of the Board of Florida Rock Industries, Inc. from February 1986 to November 2007. Mr. Baker's many years of service as a director provide the Board with valuable insights regarding the Company and its business.

Thompson S. Baker II, age 61, has served as a director of the Company since December 3, 2014. Mr. Baker is currently Senior Vice President of Vulcan Materials Company. Mr. Baker served as President and Chief Executive Officer of the Company from December 3, 2014 to March 13, 2017. Mr. Baker served as a director of FRPH from 1994 until March 13, 2017 and as the Chief Executive Officer for FRPH from October 1, 2010 until March 13, 2017. Mr. Baker served as the President of the Florida Rock Division of Vulcan Materials Company from November 16, 2007 until September 2010. From August, 1991 to November 16, 2007, Mr. Baker served as the President of the Aggregates Group of Florida Rock Industries, Inc. Mr. Baker currently serves as a director for Intrepid Capital Management, Inc. Mr. Baker's extensive service with the Company and with Florida Rock Industries, Inc. gives him extensive knowledge of the Company's business and demonstrates his leadership qualities.

Luke E. Fichthorn III, age 78, was elected as a director of the Company on December 3, 2014. Mr. Fichthorn is currently a partner in Twain Associates, LLC, a private financial consulting firm. From 1989 to January, 2015, Mr. Fichthorn served as a director for FRP Holdings, Inc. In the past, Mr. Fichthorn served as a director and the Chief Executive Officer of Bairnco Corporation. Mr. Fichthorn received his Master's Degree in Business Administration from Harvard Business School and has served as a financial consultant and audit committee member for several public companies. Mr. Fichthorn's financial acumen and extensive investment banking and business experience provide the Board with valuable perspectives on strategic decisions.

Charles D. Hyman, age 61, was elected as a director of the Company on July 27, 2016. Mr. Hyman is the president of Charles D. Hyman & Company, a portfolio management company, and has also served as a director for Fidus Corporation since June 2011. Mr. Hyman brings to the Board extensive business experience and financial acumen.

### **Family Relationships**

Thompson S. Baker II, the Chairman of the Board (and former President and Chief Executive Officer of the Company) is the son of Edward L. Baker, a director of the Company.

### **Director Attendance at Annual Meeting of Shareholders**

It is a policy of the Company that our directors are required to attend the Annual Meeting unless extenuating circumstances prevent them from attending. All directors expect to be present at this year's Annual Meeting of Shareholders.

### **Director Independence**

Pursuant to NASDAQ listing standards, the Patriot Board is required to evaluate each director to determine whether he or she qualifies as an "independent director." The Patriot Board must determine that

a director has no relationship that, in the judgment of the Patriot Board, would interfere with the exercise of independent judgment by the director in carrying out his or her responsibilities. The listing standards specify the criteria by which the independence of our directors will be determined. The listing standards also prohibit Audit Committee and Compensation Committee members from any direct or indirect financial relationship with the Company, and restrict commercial relationships of all directors with the Company. Directors may not be given personal loans or extensions of credit by the Company, and all directors are required to deal at arm's length with the Company and its subsidiaries and to disclose any circumstances that might be perceived as a conflict of interest.

The Patriot Board has determined that three of our five current directors and director nominees (John E. Anderson, Luke E. Fichthorn III, Charles D. Hyman) are independent of management in accordance with the listing standards of The NASDAQ Global Select Market. All of the members of the Audit Committee, the Compensation Committee and the Nominating and Corporate Governance Committee are independent directors.

Independent directors regularly meet in executive sessions without management and may select a director to facilitate the meeting. The independent directors met in executive session five times during 2019, with Mr. Anderson presiding over each executive session.

## **Nominating Process**

### ***The Nominating and Corporate Governance Committee***

The Nominating and Corporate Governance Committee (the “**Nominating Committee**”) identifies individuals whom the Nominating Committee believes are qualified to become Patriot Board members in accordance with the director qualification standards set forth below, and recommends selected individuals to the Patriot Board for nomination to stand for election at the next meeting of shareholders of the Company in which directors will be elected. In the event there is a vacancy on the Patriot Board between meetings of shareholders, the Nominating Committee identifies individuals that the Nominating Committee believes are qualified to become Patriot Board members in accordance with the Director Independence Standards set forth above, and recommends one or more of such individuals for appointment to the Patriot Board.

In the event the Nominating Committee recommends an increase in the size of the Patriot Board or a vacancy occurs, the Nominating Committee may consider qualified nominees from several sources, including current Patriot Board members and search firms. The Nominating Committee may from time to time retain a search firm to help the Nominating Committee identify qualified director nominees for consideration by the Nominating Committee. The Nominating Committee evaluates qualified director nominees against the current director qualification standards described below and reviews qualified director nominees with the Patriot Board. The Nominating Committee and the Chairman of the Patriot Board interview candidates who meet the director qualification standards, and the Nominating Committee selects nominees who best suit the Patriot Board's current needs and recommends one or more of such individuals for appointment to the Patriot Board.

### ***Director Qualification Standards***

The Nominating Committee has established the following standards and qualifications for members of the Patriot Board:

- Each director shall at all times represent the interests of the shareholders of the Company.

- Each director shall at all times exhibit high standards of integrity, commitment and independence of thought and judgment.
- Each director shall dedicate sufficient time, energy and attention to ensure the diligent performance of his or her duties, including attending shareholder meetings and meetings of the Patriot Board and committees of which he or she is a member, and by reviewing in advance all meeting materials.
- The Patriot Board shall meet the applicable standards of independence from the Company and its management.
- The Patriot Board shall encompass a range of talent, skill and expertise sufficient to provide sound and prudent guidance with respect to all of the Company's operations and interests.

In considering diversity in the selection of nominees, the Nominating Committee looks for individuals with varied experience, background, knowledge, skills and viewpoints in order to achieve and maintain a group of directors that, as a whole, provides effective oversight of the management of the Company. Although our nomination policy does not prescribe specific standards for diversity, the Patriot Board and Nominating Committee do look for nominees with a diverse set of skills that will complement the existing skills and experience of our directors and provide an overall balance of diversity of perspectives, backgrounds and experiences. The Patriot Board recognizes the value of gender and racial diversity among its members.

#### ***Nominees Proposed by Shareholders***

The Nominating Committee will consider properly submitted shareholder nominees for candidates for membership on the Patriot Board. Shareholders proposing individuals for consideration by the Nominating Committee must include, at a minimum, the following information about the proposed nominee: the proposed nominee's name, age, business or residence address, principal occupation or employment, and whether such person has given written consent to being named in the proxy statement as a nominee and to serving as a director if elected. Shareholders should send the required information about the nominee to:

Corporate Secretary  
Patriot Transportation Holding, Inc.  
200 W. Forsyth Street, 7th Floor  
Jacksonville, Florida 32202

In order for an individual proposed by a shareholder to be considered by the Nominating Committee for recommendation as a director nominee at the annual meeting of shareholders to be held in 2021, the Corporate Secretary must receive the proposal no later than 5 p.m. Eastern Time on September 30, 2020. Such proposals must be sent via registered, certified or express mail. The Corporate Secretary will send properly submitted shareholder proposed nominations to the Nominating Committee chair for consideration at a future Nominating Committee meeting. Individuals proposed by shareholders in accordance with these procedures will receive the same consideration that individuals identified to the Nominating Committee through other means receive.

#### ***Nominations by Shareholders at Annual Meeting***

Pursuant to the Company's Articles of Incorporation, directors may be nominated at a meeting of shareholders at which directors are being elected, by (1) the Patriot Board or any committee or person

authorized or appointed by the Patriot Board, or (2) by any shareholder who is entitled to vote for the election of directors at the meeting and who complies with certain advance notice procedures. These notice procedures require that the nominating shareholder make the nomination by timely notice in writing to the Secretary of the Company. To be timely, the notice must be received at the principal executive offices of the Company not less than forty (40) days prior to the meeting except that, if less than fifty (50) days' notice or prior public disclosure of the date of the meeting is given to shareholders, the notice must be received no later than ten (10) days after the notice of the date of the meeting was mailed or such public disclosure was made. The notice must contain certain information about the proponent and each nominee, including such information about each nominee as would have been required to be included in a proxy statement filed pursuant to the rules of the SEC had such nominee been nominated by the Patriot Board.

## **Board Leadership**

Thompson S. Baker II serves as the Chairman of the Company's Board of Directors. Mr. Baker served as the Company's President and Chief Executive Officer from the Spin-off until March 13, 2017, served as the President of FRPH from 2010 to 2015 and served as the Chief Executive Officer of FRPH from 2010 to 2017. Mr. Baker is currently the Senior Vice President of Vulcan Materials Company and a member of the board of directors of Intrepid Capital Management, Inc. Mr. Baker served as the President of the Florida Rock Division of Vulcan Materials Company from 2007 until 2010. From 1991 to 2007, Mr. Baker served as the President of the Aggregates Group of Florida Rock Industries, Inc.

It is a policy of the Company that when the Chairman of the Patriot Board is not an independent director, the independent directors will annually appoint a lead independent director.

Mr. Anderson currently serves as lead independent director. The lead independent director presides over executive sessions of the independent directors and performs other duties as may be assigned from time to time by the Patriot Board.

The Patriot Board believes its current leadership structure is appropriate because it effectively allocates authority, responsibility and oversight between management and the independent members of the Patriot Board. It does this by giving primary responsibility for the operational leadership and strategic direction of the Company to our Chief Executive Officer, while enabling the lead independent director to facilitate the Patriot Board's independent oversight of management. The Patriot Board believes its programs for overseeing risk, as described under the "Risk Oversight" section below, would be effective under a variety of leadership frameworks and therefore do not materially affect its choice of structure.

## **Committees**

The Patriot Board currently has five directors and the following four committees: the Audit Committee, the Compensation Committee, the Nominating and Corporate Governance Committee, and the Executive Committee. The membership during fiscal 2019 and the function of each committee are described below.

In 2019, the Patriot Board held five meetings, the Audit Committee held four meetings, the Compensation Committee held one meeting and the Nominating and Corporate Governance Committee held one meeting. During 2019, the Executive Committee did not hold any formal meetings but voted on various matters by unanimous written consent. The independent directors met in executive sessions following all Board meetings. All of our directors attended all of the meetings of the Board and committees on which the director served. Except for the Executive Committee, each of the committees of the Patriot Board is composed exclusively of independent directors.

Director	Audit	Compensation	Nominating & Corporate Governance	Executive
John E. Anderson	X	X	X	
Edward L. Baker				X
Thompson S. Baker II				X
Luke E. Fichthorn III	X	X	X	
Charles D. Hyman	X	X	X	
Robert E. Sandlin <sup>(1)</sup>				X

X – Committee Member

\* – Committee Chair

<sup>(1)</sup> Mr. Sandlin, although not a director, is an ex officio member of the Executive Committee. Mr. Sandlin serves as President and Chief Executive Officer of the Company.

### ***Audit Committee***

The Audit Committee assists the Patriot Board in its oversight of the Company’s accounting and financial reporting processes and the audit of the Company’s financial statements, the integrity of the Company’s financial statements, compliance with legal and regulatory requirements, and the qualifications, independence, and performance of the Company’s independent auditor. In addition to other responsibilities, the Audit Committee also:

- Reviews the annual audited and the quarterly consolidated financial statements;
- Discusses with the independent auditor all critical accounting policies to be used in the consolidated financial statements, all alternative treatments of financial information that have been discussed with management, other material communications between the independent auditor and management, and the independent auditor’s observations regarding the Company’s internal controls;
- Reviews earnings press releases prior to issuance;
- Appoints, oversees, and approves compensation of the independent auditor;
- Approves all audit and permitted non-audit services provided by the independent auditor;
- Reviews findings and recommendations of the independent auditor and management’s response to the recommendations of the independent auditor;
- Recommends whether the audited financial statements should be included in the Company’s Annual Report on Form 10-K; and
- Reviews and approves all transactions between the Company and any related person that are required to be disclosed under the rules of the SEC that have not previously been approved by the Company’s independent directors.

The Patriot Board has determined that all Audit Committee members are independent and are able to read and understand financial statements. The Patriot Board has also determined that the Chair of the Committee, Luke E. Fichthorn, qualifies as an “audit committee financial expert” within the meaning of SEC regulations. The charter of the Audit Committee (as adopted on December 4, 2019) is available on our website at [www.patriottrans.com](http://www.patriottrans.com) under *Corporate Governance*.

### ***Compensation Committee***

The primary functions of the Compensation Committee are to discharge the responsibilities of the Patriot Board relating to the compensation of the Company's executive officers. In addition, the Compensation Committee:

- Reviews and approves the Company's goals and objectives relevant to the compensation of the Chief Executive Officer and evaluates his job performance in light of those goals and objectives;
- Establishes compensation levels, including incentive and bonus compensation, for the Chief Executive Officer;
- Establishes and determines, in consultation with the Chief Executive Officer, the compensation levels of other senior executive officers;
- Reviews, periodically, with the Chairman and the Chief Executive Officer the succession plans for senior executive officers and makes recommendations to the Patriot Board regarding the selection of individuals to occupy these positions;
- Administers the Company's stock plans; and
- Reviews and reassesses the Compensation Committee charter for adequacy on an annual basis.

None of the members of the Compensation Committee was an officer or employee of the Company or any of its subsidiaries during the 2019 fiscal year or had any relationship requiring disclosure by the Company under the rules of the SEC requiring disclosure of certain relationships and related party transactions. None of our executive officers serves as a member of the board of directors or compensation committee of any entity that has one or more executive officers serving the Patriot Board or Compensation Committee.

The charter of the Compensation Committee (as adopted on November 28, 2018) has been formally adopted by the Company and is available at [www.patriottrans.com](http://www.patriottrans.com) under *Corporate Governance*.

### ***Nominating and Corporate Governance Committee***

The primary functions of the Nominating Committee are to (1) identify individuals who are qualified to serve on the Company's Board of Directors, (2) recommend for selection by the Patriot Board the director nominees for the next annual meeting of the shareholders, (3) review and recommend to the Patriot Board changes to the corporate governance practices of the Company, and (4) oversee the annual evaluation of the Patriot Board. In addition, the Nominating Committee establishes criteria for the Patriot Board membership.

The charter of the Nominating Committee (as adopted on November 28, 2018) is available at [www.patriottrans.com](http://www.patriottrans.com) under *Corporate Governance*.

### ***Executive Committee***

Edward L. Baker, Thompson S. Baker II and Robert E. Sandlin (*ex officio*), comprised the Executive Committee during fiscal year 2019. To the extent permitted by law, the Executive Committee exercises the powers of the Patriot Board between meetings of the Patriot Board.

### **Business Conduct Policies**

We believe that operating with honesty and integrity has earned us trust from our customers, credibility within our communities, and dedication from our employees. Our senior executive and financial officers are bound by our Financial Code of Ethical Conduct. In addition, our directors, officers and employees are required to abide by our Code of Business Conduct and Ethics to ensure that our business is conducted in a consistently legal and ethical manner. These policies cover many topics, including conflicts of interest, protection of confidential information, fair dealing, protection of the Company's assets and compliance with laws, rules and regulations.

Employees are required to report any conduct that they believe in good faith to be an actual or apparent violation of these policies. The Audit Committee has adopted procedures to receive, retain, and treat complaints received regarding accounting, internal accounting controls, or auditing matters, and to allow for the confidential and anonymous submission by employees of concerns regarding questionable accounting or auditing matters.

The Financial Code of Ethical Conduct and the Code of Business Conduct and Ethics (as adopted on January 28, 2015) is available on our website at [www.patriottrans.com](http://www.patriottrans.com) under *Corporate Governance*.

### **Risk Oversight**

The Patriot Board exercises direct oversight of strategic risk to the Company. Management annually (or periodically in the event greater frequency is required due to unforeseen circumstances) prepares an enterprise risk assessment and mitigation strategy that it reviews with the Audit Committee. The Audit Committee reports to the Patriot Board, which in turn, provides guidance on risk appetite, assessment and mitigation.

### **Board and Committee Self-Assessment**

It is a policy of the Company that the Patriot Board and each committee, under the supervision of the Nominating Committee, conduct a self-evaluation of their performance at least annually. The self-evaluation process serves to assess the Patriot Board's and the committees' performance and effectiveness during the previous year. Each member of the Patriot Board and each committee member completes a questionnaire that solicits recommendations for the upcoming year and addresses various aspects of the Patriot Board or committee's meetings, membership, culture, roles and responsibilities, and relationships with management and other committees.

### **Communication with Directors**

The Patriot Board has adopted the following process for shareholders to send communications to members of the Patriot Board. Shareholders may communicate with the chairs of the Audit, Compensation, and Nominating Committees of the Patriot Board, or with our independent directors, by sending a letter to the following address: Board of Directors, Patriot Transportation Holding, Inc., c/o Corporate Secretary, 200 W. Forsyth Street, 7th Floor, Jacksonville, Florida 32202.

## NON-EMPLOYEE DIRECTOR COMPENSATION

Our non-employee directors receive cash compensation, as well as equity compensation in the form of stock grants of Company common stock. The following table summarizes the compensation paid to each of our non-employee directors during fiscal 2019. All amounts reflect the dollar value of the compensation.

DIRECTOR COMPENSATION			
Name	Fees earned or paid in cash (\$) <sup>(1)</sup>	Stock Awards (\$) <sup>(4)</sup>	Total
Edward L. Baker <sup>(2)</sup>	\$72,340	\$39,713	\$112,053
Thompson S. Baker II <sup>(3)</sup>	\$22,500	\$80,850	\$103,350
John E. Anderson	\$36,000	\$80,850	\$116,850
Luke E. Fichthorn III	\$36,500	\$80,850	\$117,350
Charles D. Hyman	\$33,000	\$80,850	\$113,850

<sup>(1)</sup> The table below sets forth the cash fee arrangements for the Patriot Board and for each committee:

<b>All Non-Employee Directors</b>	
Annual Retainer	\$15,000
Attendance Fee for Unscheduled Meetings	\$1,500
<b>Audit Committee</b>	
Annual Fee: Chairman	\$10,000
Annual Fee: Member	\$5,000
Meeting Fees: Chairman <sup>(a)</sup>	\$1,500
Meeting Fees: Member <sup>(a)</sup>	\$1,000
<b>Compensation Committee</b>	
Annual Fee: Chairman	\$5,000
Annual Fee: Member	\$1,000
Meeting Fees: Chairman	\$1,500
Meeting Fees: Member	\$1,000
<b>Other Committees</b>	
Annual Fee: Chairman	\$2,000
Annual Fee: Member	\$1,000
Meeting Fees: Chairman	\$1,500
Meeting Fees: Member	\$1,000

<sup>(a)</sup> The Audit Committee members receive no meeting fees for the four regularly-scheduled quarterly meetings. Meeting fees apply only to the extent there are additional Audit Committee meetings.

- <sup>(2)</sup> Mr. Baker serves as the Chairman Emeritus and as a director of the Company. Mr. Baker does not receive any director fees; his compensation arrangement with the Company is related to his service as the Chairman Emeritus. In fiscal year 2018, Mr. Baker received a base salary of \$70,000 and \$2,340 in other compensation, which includes 401(k) matching, medical reimbursement, life insurance and perquisites. On January 31, 2018, Mr. Baker was awarded 2,063 shares of the Company's common stock in connection with his services as the Chairman Emeritus.
- <sup>(3)</sup> Mr. Baker serves as Chairman of the Board of Directors and he receives the same compensation as other non-employee directors.
- <sup>(4)</sup> On January 30, 2019, Messrs. Thompson S. Baker II, Anderson, Fichthorn and Hyman were awarded 4,200 shares, and Mr. Edward L. Baker was awarded 2,063 shares, of the Company's common stock under the Company's 2016 Equity Incentive Plan ("Equity Incentive Plan"). The value was determined using the closing price of the Company's common stock on the Nasdaq Stock Market on January 30, 2019, which was \$19.25. The aggregate grant date fair value was computed in accordance with FASB Topic 718.



## Non-Employee Director Stock Options

Except for stock options held by Thompson S. Baker II, which were granted in connection with his former employment with the Company, none of our non-employee directors holds any options to purchase stock of the Company.

## SECURITIES OWNERSHIP

### Directors, Director Nominees and Executive Officers

The following table shows the number of shares of the Company's common stock beneficially owned by each of the Company's directors, director nominees and executive officers of the Company as a group as of November 19, 2019:

Name of Beneficial Owner	Amount and Nature of Beneficial Ownership <sup>(1)</sup>	Percentage of Class
John E. Anderson	42,933	1.28%
Edward L. Baker	175,108 <sup>(2)</sup>	5.23%
Thompson S. Baker II	215,395 <sup>(3)</sup>	6.37%
Luke E. Fichthorn III	50,338 <sup>(4)</sup>	1.50%
Charles D. Hyman	17,267	*
John D. Klopfenstein	13,926	*
Matthew C. McNulty	9,870	*
Robert E. Sandlin	50,290	1.48%
<b>Total:</b>	<b>433,969<sup>(5)</sup></b>	<b>12.61%</b>

\* Less than 1%

- (1) The preceding table includes the following shares held under the Company's profit sharing plan and shares underlying options that are exercisable within 60 days of November 19, 2018:

Name of Beneficial Owner	Shares Under Profit Sharing Plan	Shares Under Option Exercisable Within 60 Days
John E. Anderson	0	0
Edward L. Baker	0	0
Thompson S. Baker II	7	28,997
Luke E. Fichthorn III	0	0
Charles D. Hyman	0	0
John D. Klopfenstein	3,602	10,224
Matthew C. McNulty	0	9,555
Robert E. Sandlin	4,077	41,345

- (2) Mr. Baker's reported ownership includes (i) 1,373 shares he holds directly, (ii) 32,577 shares held in his living trust, and (iii) 141,158 shares held in a trust for the benefit of Mr. Baker and his family members and for which he and Thompson S. Baker II serve as trustees. Mr. Baker disclaims beneficial ownership of the shares described in clause (iii) except to the extent of his pecuniary interest therein.

- (3) Mr. Baker's reported ownership includes (i) 42,308 shares held in his living trust, (ii) 733 shares owned by Mr. Baker's spouse, (iii) 2,193 shares held for the benefit of Mr. Baker's minor children and (iv) 141,158 shares held in a trust for the benefit of Edward L. Baker and his family members for which he and Edward L. Baker serve as trustees. Mr. Baker disclaims beneficial ownership of the shares described in clause (iv) except to the extent of his pecuniary interest therein.

- (4) Mr. Fichthorn's reported ownership includes 100 shares owned by the spouse of Mr. Fichthorn, as to which he disclaims any beneficial interest, and 3,000 shares owned by the M/B Disbro Trust, of which Mr. Fichthorn is a co-trustee and income beneficiary.
- (5) The beneficial ownership for Messrs. Edward L. Baker and Thompson S. Baker II each include 141,091 shares held by a trust for the benefit of Mr. Edward L. Baker for which they serve as co-trustees. The shares have only been counted once for the purpose of calculating the beneficial ownership total for all officers and directors as a group.

### Shareholders Holding More Than Five Percent of Common Stock

The following table shows the number of shares of the Company's common stock beneficially owned by each person (or group of people) known by the Company to beneficially own more than 5% of the common stock of the Company. Percentage calculations are based on the outstanding shares of the Company's common stock on September 30, 2018:

Name and Address of Beneficial Owner	Amount and Nature of Beneficial Ownership	Percentage of Class
Trust FBO John D. Baker II U/A Cynthia L. Baker Trust dated 4/30/1965	371,158 <sup>(1)</sup>	11.07%
John D. Baker II	472,222 <sup>(1)</sup>	14.09%
Edward L. Baker II	403,591 <sup>(1)</sup>	12.04%
200 W. Forsyth Street, 7th Floor Jacksonville, FL 32202		
Trust FBO Edward L. Baker U/A Cynthia L. Baker Trust dated 4/30/1965	141,158 <sup>(2)</sup>	4.21%
Edward L. Baker	175,108 <sup>(2)</sup>	5.23%
Thompson S. Baker II	215,395 <sup>(2)</sup>	6.37%
200 W. Forsyth Street, 7th Floor Jacksonville, FL 32202		
Trust FBO Sarah B. Porter U/A Cynthia L. Baker Trust dated 4/30/1965	304,493 <sup>(3)</sup>	9.15%
1165 5 <sup>th</sup> Avenue #10-D New York, NY 10029		
Royce & Associates, LP	194,864 <sup>(4)</sup>	5.85%
745 Fifth Avenue New York, NY 10151		
T. Rowe Price Associates, Inc.	284,303 <sup>(5)</sup>	8.50%
T. Rowe Price Small-Cap Value Fund, Inc.	230,653 <sup>(5)</sup>	6.90%
100 E. Pratt Street Baltimore, MD 21202		
Estabrook Capital Management, LLC	195,441 <sup>(6)</sup>	5.87%
Charles T. Foley	195,441 <sup>(6)</sup>	5.87%
David P. Foley	195,441 <sup>(6)</sup>	5.87%
900 Third Avenue New York, NY 10022		
Minerva Advisors, LLC	249,899 <sup>(7)</sup>	7.50%
Minerva Group, LP	189,987 <sup>(7)</sup>	5.70%
Minerva GP, LP	189,987 <sup>(7)</sup>	5.70%
Minerva GP, Inc.	189,987 <sup>(7)</sup>	5.70%
David P. Cohen	249,899 <sup>(7)</sup>	7.50%
50 Monument Road, Suite 201 Bala Cynwyd, PA 19004		

- (1) The Trust FBO John D. Baker II U/A Cynthia L. Baker Trust dated 4/30/1965, to which John D. Baker II and Edward L. Baker II serve as co-trustees and to which John D. Baker II and his family members are beneficiaries, holds 371,158 shares of the Company's common stock. John D. Baker II and Edward L. Baker II disclaim beneficial ownership of such shares except to the extent of their pecuniary interest therein. Each of John D. Baker II's and Edward L. Baker II's

beneficial ownership includes the shares held by the Trust FBO John D. Baker II U/A Cynthia L. Baker Trust dated 4/30/1965.

- (2) The Trust FBO Edward L. Baker U/A Cynthia L. Baker Trust dated 4/30/1965, to which Edward L. Baker and Thompson S. Baker II serve as co-trustees and to which Edward L. Baker and his family members are beneficiaries, holds 141,158 shares of the Company's common stock. Edward L. Baker and Thompson S. Baker II disclaim beneficial ownership of such shares except to the extent of their pecuniary interest therein. Each of Edward L. Baker's and Thompson S. Baker II's beneficial ownership includes the shares held by the Trust FBO John D. Baker II U/A Cynthia L. Baker Trust dated 4/30/1965. See the tables in the section of this Proxy Statement entitled "Securities Ownership – Directors, Director Nominees and Executive Officers" and the accompanying notes for further details on shares beneficially owned by Edward L. Baker and Thompson S. Baker II.
- (3) In a Schedule 13G/A filed with the SEC on February 14, 2019, the Trust FBO Sarah B. Porter U/A Cynthia L. Baker Trust dated 4/30/1965 reported that Cynthia P. Ogden, as sole trustee, had sole voting and dispositive power with respect to 304,637 shares of the Company's common stock.
- (4) In a Schedule 13G/A filed with the SEC on January 16, 2019, Royce & Associates, LP reported that, as of December 31, 2018, it had sole voting and dispositive power with respect to 194,864 shares of the Company's common stock.
- (5) In a Schedule 13G/A filed with the SEC on February 14, 2019, T. Rowe Price Associates, Inc. and T. Rowe Price Small-Cap Value Fund, Inc. reported that, as of December 31, 2018, they had sole voting power with respect to 51,800 and 230,653 shares of the Company's common stock, respectively, and that T. Rowe Price Associates, Inc. had sole dispositive power with respect to 284,303 shares of the Company's common stock.
- (6) In a Schedule 13G filed with the SEC on February 14, 2019, Estabrook Capital Management, LLC, Charles T. Foley and David P. Foley reported that, as of December 31, 2018, they had shared voting and dispositive power with respect to 195,441 shares of the Company's common stock.
- (7) In a Schedule 13G filed with the SEC on February 14, 2019, Minerva Advisors, LLC, Minerva Group, LP, Minerva GP, LP, Minerva GP, Inc. and David P. Cohen reported that, as of December 31, 2018, they each had sole voting and sole dispositive power with respect to 189,987 shares of the Company's common stock, and that Minerva Advisors LLC and David P. Cohen each had shared voting and dispositive power with respect to 59,912 shares of the Company's common stock.

## **Section 16(a) Beneficial Ownership Reporting Compliance**

Section 16(a) of the Exchange Act requires the Company's executive officers, directors and beneficial owners of 10% or more of the Company's outstanding common stock to file initial reports of ownership and reports of changes in ownership with the SEC, NASDAQ and the Company. Based solely on a review of the copies of such forms furnished to the Company and written representations from the Company's executive officers and directors, the Company believes all persons subject to these reporting requirements filed the required reports on a timely basis during fiscal year 2019.

## **RELATED PARTY TRANSACTIONS**

### **Transactions With FRP Holdings, Inc.**

On January 31, 2015, the Company began operating as an independent public company as a result of the spin-off from FRP Holdings, Inc., formerly known as Patriot Transportation Holding, Inc. (NASDAQ-FRPH), which is referred to herein as the "Spin-off." The Spin-off was effected through a corporate reorganization, followed by the distribution by FRPH of all of the shares of common stock of Patriot to the shareholders of FRPH. Each FRPH shareholder of record as of the close of business on January 30, 2015 received one share of Patriot common stock for every three shares of FRPH common stock held on such date. Patriot now owns and operates the transportation business that was formerly a segment of FRPH. For more information regarding the Spin-off, you may refer to our Information Statement, which is attached as Exhibit 99.1 to the Company's Form 10, filed with the Securities Exchange Commission on December 31, 2014, available at [www.sec.gov](http://www.sec.gov).

In connection with the spin-off, we entered into a separation and distribution agreement, a tax matters agreement, an employee matters agreement and a transition services agreement, which provide a framework for our relationships with FRPH after the spin-off. These agreements provide for the allocation between Patriot and FRPH of the assets, liabilities, and obligations of FRPH and its subsidiaries, and govern the relationships between Patriot and FRPH (including with respect to transition services, employee matters, real property matters, tax matters, and certain other commercial relationships). This summary of the agreements is qualified in its entirety by reference to the full text of the applicable agreements, which are listed as exhibits to the Company's Current Report on Form 8-K filed on February 3, 2015. In fiscal 2019, FRPH reimbursed \$1,398,000 pursuant to the Transition Services Agreement.

In the opinion of the Company, the terms, conditions, transactions and payments under the agreements with the persons described above were not less favorable to the Company than those which would have been available from unaffiliated persons.

### **Transactions With Vulcan Materials Company**

The Company received revenues from Vulcan Materials Company in the amount of \$1,720 during fiscal year 2019. Thomson S. Baker II, current director and former Chief Executive Officer of the Company, is currently serving as the Senior Vice President of Vulcan Materials Company. Mr. Baker resigned from his position as Chief Executive Officer of the Company on March 13, 2017 in connection with his acceptance of his position with Vulcan Materials Company.

### **Policies and Procedures**

The Audit Committee of the Patriot Board is responsible for reviewing and approving all material transactions with any related party not previously approved by the Company's independent directors. This responsibility is set forth in writing in our Audit Committee charter (as adopted December 4, 2019), a copy of which is available at [www.patriottrans.com](http://www.patriottrans.com) under *Corporate Governance*. In certain cases, transactions have been approved by a committee consisting of all independent directors. Related parties include any of our directors or executive officers, and certain of our shareholders and their immediate family members.

To identify related party transactions, each year, we submit and require our directors and officers to complete director and officer questionnaires identifying any transactions with us in which the officer or director or their family members have an interest. We review related party transactions due to the potential for a conflict of interest. A conflict of interest occurs when an individual's private interest interferes, or appears to interfere, in any way with our interests. Our Code of Business Conduct and Ethics requires all directors, officers and employees who may have a potential or apparent conflict of interest to immediately notify our Chief Financial Officer.

We expect our directors, officers and employees to act and make decisions that are in our best interests and encourage them to avoid situations which present a conflict between our interests and their own personal interests. Our directors, officers and employees are prohibited from taking any action that may make it difficult for them to perform their duties, responsibilities and services to the Company in an objective and effective manner. In addition, we are strictly prohibited from extending personal loans to, or guaranteeing personal obligations of, any director or officer. Exceptions are only permitted in the reasonable discretion of the Patriot Board. A copy of our Code of Business Conduct and Ethics is available at [www.patriottrans.com](http://www.patriottrans.com) under *Corporate Governance*.

## AUDIT COMMITTEE REPORT

The Audit Committee reviews the Company's financial reporting process on behalf of the Patriot Board. Management has the primary responsibility for the financial statements and the reporting process, including the system of internal controls. The Audit Committee also selects the Company's independent registered public accounting firm. The Audit Committee held four formal meetings in fiscal year 2019.

In this context, the Audit Committee has met and held discussions with management and the independent registered public accounting firm regarding the fair and complete presentation of the Company's results and management's assessment of the Company's internal control over financial reporting. The Audit Committee has discussed significant accounting policies applied by the Company in its financial statements, as well as alternative treatments. Management represented to the Committee that the Company's consolidated financial statements were prepared in accordance with accounting principles generally accepted in the United States of America, and the Audit Committee has reviewed and discussed the consolidated financial statements with management and the independent registered public accounting firm. The Audit Committee discussed with the independent registered public accounting firm matters required to be discussed pursuant to applicable standards adopted by the PCAOB.

In addition, the Audit Committee has received the written disclosures and the letter from the independent auditor required by the applicable requirements of PCAOB regarding the independent auditor's communications with us concerning independence and has discussed with the independent auditor the auditor's independence from the Company and its management. The Audit Committee also has considered whether the independent auditor's provision of non-audit services to the Company is compatible with the auditor's independence. The Audit Committee has concluded that the independent auditor is independent from the Company and its management.

The Audit Committee reviewed and discussed Company policies with respect to risk assessment and risk management.

The Audit Committee discussed with the Company's independent auditor the overall scope and plans for the audit. The Audit Committee meets with the independent auditors, with and without management present, to discuss the results of their examinations, the evaluations of the Company's internal controls, and the overall quality of the Company's financial reporting.

In reliance on the reviews and discussions referred to above, the Audit Committee recommended to the Patriot Board, and the Patriot Board has approved, that the audited financial statements be included in the Company's Annual Report on Form 10-K for the year ended September 30, 2019, for filing with the Securities and Exchange Commission.

Submitted by:

Luke E. Fichthorn III, Chairman  
John E. Anderson  
Charles D. Hyman  
*Members of the Audit Committee*

The Audit Committee Report does not constitute soliciting material, and shall not be deemed to be filed or incorporated by reference into any other Company filing under the Securities Act of 1933, as amended, or the Exchange Act, except to the extent that the Company specifically incorporates the Audit Committee Report by reference therein.

## PROPOSAL NO. 2: THE AUDITOR PROPOSAL

The Audit Committee has selected Hancock Askew as the Company's independent registered public accounting firm (auditors) to examine the consolidated financial statements of the Company, subject to satisfactory negotiation of an annual fee agreement for fiscal 2020. The FRP Board seeks an indication from shareholders of their approval or disapproval of the Audit Committee's appointment of Hancock Askew as the Company's auditors.

Hancock Askew has been our independent auditor since 2014, and no relationship exists between the Company and Hancock Askew other than the usual relationship between auditor and client.

If the appointment of Hancock Askew as auditor for fiscal 2020 is not approved by the shareholders, the adverse vote will be considered a direction to the Audit Committee to consider other auditors for next year. However, because of the difficulty in making any substitution of auditors so long after the beginning of the current year, Hancock Askew will remain the Company's Independent Registered Public Accounting Firm for 2020, unless the Audit Committee finds other good reason for making a change.

Representatives of Hancock Askew will be available to respond to questions at the annual meeting of shareholders.

### Independent Registered Public Accounting Firm

The Audit Committee has selected Hancock Askew to serve as the Company's independent registered public accounting firm, subject to satisfactory negotiation of an annual fee agreement. Representatives of Hancock Askew are expected to be present at the shareholders' meeting with the opportunity to make a statement if they so desire and will be available to respond to appropriate questions.

### Audit and Non-Audit Fees

The following table presents fees billed or to be billed by the Company's independent registered public accounting firm for the audit of the Company's financial statements for fiscal years 2018 and 2019, and for other services performed during such periods.

	<u>2019</u>	<u>2018</u>
<b>Audit Fees</b> <sup>(1)</sup>	\$142,521	\$137,234
<b>Audit Related Fees</b> <sup>(2)</sup>	\$47,085	\$27,091
<b>Tax Fees</b>	--	--
<b>All Other Fees</b>	<u>--</u>	<u>--</u>
<b>Total</b>	\$189,606	\$164,325

<sup>(1)</sup> Audit services include work performed in connection with the review of the Company's quarterly financial statements, the audit of the Company's annual financial statements and the audit of internal control over financial reporting.

<sup>(2)</sup> Audit related fees consisted principally of audits of employee benefit plans and services pertaining to technical accounting consultations required in connection with the audit.

### **Pre-Approval of Audit and Non-Audit Services**

Under the Company's amended Audit Committee charter, the Audit Committee is required to pre-approve all auditing services and permissible non-audit services, including related fees and terms, to be performed for the Company by its independent auditor, subject to the de minimis exceptions for non-audit services described under the Exchange Act which are approved by the Audit Committee prior to the completion of the audit. The Audit Committee pre-approved all audit services, audit-related services and tax review, compliance and planning services performed for the Company by Hancock Askew during fiscal years 2019 and 2018.

### PROPOSAL NO. 3: THE COMPENSATION PROPOSAL

In accordance with Section 14A of Exchange Act we are asking shareholders to vote “**FOR**” approval of our executive compensation program. This non-advisory vote is commonly referred to as “say-on-pay.”

We design our executive officer compensation program to attract, motivate, and retain the key executives who drive our success and industry leadership. Our compensation program consists of several forms of compensation: base salary, cash incentive bonuses, equity compensation and other benefits and perquisites. Pay that reflects performance and alignment of that pay with the interests of long-term shareholders are key principles that underlie our compensation program. The Patriot Board believes that our current executive compensation program directly links executive compensation to our performance and aligns the interest of our executive officers with those of our shareholders.

Shareholders are urged to read the “Executive Compensation” section of this proxy statement, which contains tabular information and narrative discussion about the compensation of our named executive officers.

Because this is an advisory vote, it will not be binding on the Patriot Board. However, the Patriot Board and the Compensation Committee will review and take into account the outcome of the vote when considering future executive compensation decisions.

Accordingly, the Patriot Board proposes that you indicate your support for the Company’s compensation philosophy, policies, and procedures and their implementation in 2019 as described in this proxy statement.

#### **Compensation Policies**

*Internal Pay Equity.* We believe that internal pay equity is an important factor to be considered in establishing compensation for the officers. We have not established a policy regarding the ratio of total compensation of the Chief Executive Officer to that of the other officers, but we do review compensation levels to ensure that appropriate equity exists.

*Compensation Risk Assessment.* The Compensation Committee considers the risks that may result from the Company’s compensation policies and practices. The Compensation Committee believes that our compensation policies and practices for our executives are reasonable and properly align their interests with those of our shareholders. The Compensation Committee believes that there are a number of factors that cause our compensation policies and practices to not have a material adverse effect on the Company. The fact that our executive officers have their annual incentive compensation tied to return on capital employed encourages actions that promote profitability. Our equity-based incentives further align the interest of our executives with the long term interests of our shareholders. In addition, we believe that there are significant checks in place so that employees whose compensation may have a shorter term focus are managed by employees and officers whose compensation has a longer term focus.

*Tax Deductibility of Compensation Should be Maximized Where Appropriate.* The Company generally seeks to maximize the deductibility for tax purposes of all elements of compensation. For example, the Company always has issued nonqualified stock options that result in a tax deduction to the Company upon exercise. We review compensation plans in light of applicable tax provisions and may revise compensation plans from time to time to maximize deductibility. However, we may approve compensation that does not qualify for deductibility when we deem it to be in the best interests of the Company.



## Financial Restatement

It is a policy of the Patriot Board that the Compensation Committee will, to the extent permitted by governing law, have the sole and absolute authority to make retroactive adjustments to any cash or equity based incentive compensation paid to executive officers and certain other officers where the payment was predicated upon the achievement of certain financial results that were subsequently the subject of a restatement. Where applicable, the Company will seek to recover any amount determined to have been inappropriately received by the individual executive.

## Clawback Policy

It is our policy, under the Equity Incentive Plan, that any equity compensation granted to executives subject to recovery under any law, regulation or listing requirement will be subject to deductions and clawback as required by such law, regulation or listing requirement.

## EXECUTIVE COMPENSATION

We are currently considered a “smaller reporting company” for purposes of the SEC’s executive compensation and other disclosure rules. In accordance with such rules, we are required to provide a Summary Compensation Table and an Outstanding Equity Awards at Fiscal Year End Table, as well as limited narrative disclosures.

## Summary Compensation Table

The Summary Compensation Table sets forth information concerning the compensation of our named executive officers for fiscal years 2019, 2018 and 2017. Our compensation program consists of several forms of compensation: base salary, cash incentive bonuses, equity compensation and other benefits and perquisites.

SUMMARY COMPENSATION TABLE							
Name and Principal Position	Year	Base Salary <sup>(1)</sup>	Option Awards <sup>(2)</sup>	Non-Equity Incentive Plan Compensation <sup>(3)</sup>	Change in Pension Value and Nonqualified Deferred Compensation Earnings <sup>(4)</sup>	Other Compensation <sup>(5)(6)</sup>	Total
Robert E. Sandlin <i>President and CEO</i> <sup>(7)</sup>	2019	\$342,375	\$100,000	---	\$90,528	\$25,096	\$557,999
	2018	\$316,990	\$100,000	---	\$90,528	\$30,926	\$538,444
	2017	\$297,696	\$100,000	---	\$70,914	\$27,453	\$496,063
Matthew C. McNulty <i>VP and CFO</i> <sup>(8)</sup>	2019	\$217,875	\$70,000	---	---	\$8,199	\$296,074
	2018	\$210,000	\$140,000	---	---	\$7,464	\$357,464
	2017	\$168,993	---	---	---	\$5,776	\$174,769
John D. Klopfenstein, <i>Controller and CAO</i>	2019	\$214,945	---	\$26,507	---	\$29,929	\$271,381
	2018	\$208,145	---	\$48,772	---	\$30,656	\$287,573
	2017	\$202,413	\$27,000	\$50,975	---	\$25,787	\$333,175

<sup>(1)</sup> Following the Spin-off, Messrs. McNulty (until March 31, 2017) and Klopfenstein remained employed by both the Company and FRPH and received a base salary from each company. The base salaries for Messrs. McNulty and Klopfenstein shown in the table for fiscal year 2019 and prior years reflect the total compensation paid to them by the Company for the years shown. FRPH reimbursed to the Company 50% of the total base salaries of Mr. McNulty (until March 31, 2017) and Mr. Klopfenstein pursuant to the Transition Services Agreement between FRPH and the Company.

- (2) Amounts reflect the Black-Scholes value at the time of the grant. Mr. McNulty received a stock option grant valued at \$70,000 on October 5, 2017 in connection with his promotion to Chief Financial Officer, and an option grant valued at \$70,000 on November 29, 2017 in connection with his 2018 equity incentive compensation.

- (3) This column represents amounts paid under the Patriot Transportation Holding, Inc. Management Incentive Compensation Plan ("MIC Plan"). The MIC Plan provides officers an opportunity to earn an annual cash bonus for achieving specified performance based goals. The annual bonus pool is determined by the Company's return on capital employed ("ROCE"), subject to a threshold target and maximum amount, and individual awards are determined by the achievement of individual performance goals by each named executive officer, all of which is set by the Compensation Committee on an annual basis. For purposes of the cash bonus calculation, ROCE is defined as the Company's net income excluding the after-tax cost of financing, divided by its total monthly average capital employed (excluding the effect of prepaid insurance premiums to a captive insurer). Each year, a portion of each named executive officer's cash bonus is contingent upon a determination that the internal control over financial reporting for the company was effective during the applicable year.

Following the Spin-off, Messrs. McNulty and Klopfenstein each became eligible to receive a cash bonus from FRPH if the real estate performance goals were met and a cash bonus from the Company if transportation-related performance goals were met. Information relating to cash bonuses awarded to Messrs. McNulty and Klopfenstein for fiscal year 2019 and previous years reflects their total cash bonuses awards paid by the Company. Pursuant to the Transition Services Agreement, FRPH reimbursed to the Company with respect to Mr. Klopfenstein, \$26,507 for fiscal year 2019, \$48,772 for fiscal year 2018 and \$50,975 for fiscal year 2017.

- (4) This amount represents the present value of Mr. Sandlin's accumulated benefit under the stock appreciation rights using the Black-Scholes model. Vesting of Mr. Sandlin's stock appreciation rights is subject to a service requirement and a market requirement.
- (5) Executive officers receive certain personal benefits and perquisites from the Company, which are reflected in the table about as "**Other Compensation**". Following the Spin-off, Messrs. McNulty and Klopfenstein each became eligible to receive such Other Compensation from the Company and FRPH. Other Compensation for Messrs. McNulty and Klopfenstein for fiscal year 2018 and previous years reflects their total Other Compensation paid by the Company. FRPH reimbursed to the Company 50% of the total Other Compensation of Mr. McNulty (until March 31, 2017) and Mr. Klopfenstein pursuant to the Transition Services Agreement between FRPH and the Company. For 2019, the components of Other Compensation were as follows:

Name	Matching Contributions	Personal Use of Company Car	Medical Reimbursement <sup>(a)</sup>	Miscellaneous <sup>(b)</sup>
Robert E. Sandlin	\$8,774	\$3,176	\$2,772	\$10,374
Matthew C. McNulty	\$1,050	\$6,886	--	\$263
John D. Klopfenstein	\$8,436	\$11,838	\$8,881	\$774

(a) The amounts shown represent benefits paid under our Medical Reimbursement Plan, under which we reimburse certain officers for personal medical expenses not covered by insurance.

(b) The amounts shown under the Miscellaneous column represent payment of country club and social club dues and purchase of tickets to sporting events on behalf of the named executive officers and other miscellaneous reimbursed expenses. These club memberships and tickets generally are maintained for business entertainment but may be used for personal use. The entire amount has been included, although we believe that only a portion of this cost represents a perquisite.

- (6) Following the Spin-off, FRPH reimbursed 50% of the perquisites shown for Mr. McNulty (until March 31, 2017) and Mr. Klopfenstein pursuant to the Transition Services Agreement.
- (7) Mr. Sandlin, who previously served as the Vice President of the Company and President of Florida Rock & Tank Lines, Inc. was appointed as President and Chief Executive Officer of the Company on March 13, 2017.
- (8) Mr. McNulty, who previously served as the Director of Corporate Development of the Company was appointed as the Vice President of Administration on May 23, 2017. Mr. McNulty was subsequently appointed as the Vice President and Chief Financial Officer of the Company effective October 1, 2017.

## Outstanding Equity Awards at Fiscal Year-End

The table below sets forth information concerning stock options and restricted stock held by the named executive officers at September 30, 2019. Certain option awards shown in the table were granted by FRPH prior to the Spin-off. On February 3, 2015, options granted prior to the Spin-off were canceled and replacement options to purchase Patriot common stock (“*Patriot Replacement Options*”) and options to purchase FRPH common stock were issued. The replacement options have a combined intrinsic value equal to the intrinsic value of the original option to purchase FRPH common stock granted by FRPH. The options were equitably adjusted to preserve the ratio of the exercise price to the fair market value of FRPH common stock on the date of the Spin-off.

Name	Option Awards <sup>(1)</sup>			
	Number of Securities Underlying Unexercised Options/SARs (#) Exercisable <sup>(2)</sup>	Number of Securities Underlying Unexercised Options/SARs (#) Unexercisable <sup>(2)</sup>	Option/SAR Exercise Price <sup>(3)</sup>	Option/SAR Expiration Date <sup>(4)</sup>
Robert E. Sandlin <i>President &amp; CEO</i> <sup>(7)</sup>	2,535	--	\$23.987	12/02/2019
	3,110	--	\$19.092	12/01/2020
	3,532	--	\$16.595	12/05/2021
	2,973	--	\$19.541	12/05/2022
	1,783	--	\$30.871	12/04/2023
	1,646	411	\$26.769	12/03/2024
	2,147 <sup>(5)</sup>	--	\$24.24	10/15/2025
	7,492 <sup>(5)</sup>	1,873	\$23.62	11/17/2025
	7,878 <sup>(5)</sup>	5,252	\$21.25	11/16/2026
	5,774 <sup>(5)</sup>	8,661	\$18.17	11/28/2027
	2,493 <sup>(5)</sup>	9,972	\$20.10	11/28/2028
	--	80,000	\$23.12	N/A <sup>(6)</sup>
Matthew C. McNulty <i>Vice President &amp; CFO</i> <sup>(8)</sup>	3,768 <sup>(5)</sup>	5,652	\$19.95	10/04/2027
	4,042 <sup>(5)</sup>	6,063	\$18.17	11/28/2027
	1,745 <sup>(5)</sup>	6,980	\$20.10	11/28/2028
John D. Klopfenstein <i>Controller &amp; Chief Accounting Officer</i>	1,000	--	\$23.987	12/02/2019
	1,000	--	\$19.092	12/01/2020
	1,000	--	\$16.595	12/05/2021
	1,000	--	\$19.541	12/05/2022
	963	--	\$30.871	12/04/2023
	888	222	\$26.769	12/03/2024
	2,024 <sup>(5)</sup>	506 <sup>(5)</sup>	\$23.62 <sup>(5)</sup>	11/17/2025
	2,127 <sup>(5)</sup>	1,418 <sup>(5)</sup>	\$21.25 <sup>(5)</sup>	11/16/2026

(1) The stock options granted to Messrs. Sandlin, McNulty and Klopfenstein vest ratably over 5 years. All stock options have a term of 10 years. Mr. Sandlin’s stock options expiring on September 15, 2025 (2,147 stock options) were granted in connection with a performance award and vested immediately.

(2) This column reflects options exercisable within 60 days of September 30, 2019. Except as set forth in footnote 5, the number of securities underlying unexercised options exercisable reflects the number of Patriot Replacement Options granted at the time of the Spin-off.

(3) Except as set forth in footnote 5, the exercise price reflects the exercise price of Patriot Replacement Options granted at the time of the Spin-off.

(4) Except as set forth in footnote 5, the expiration date reflects the number of Patriot Replacement Options granted at the time of the Spin-off.

(5) Stock option award was granted after the Spin-off and directly by the Company.

(6) SARs vest upon the achievement of (i) the achievement of a common stock price of \$30.40 for a period of at least 60 days and (ii) Mr. Sandlin’s continued service as the President of Florida Rock & Tank Lines, Inc. until his 65<sup>th</sup> birthday.

(7) Mr. Sandlin, who previously served as the Vice President of the Company and President of Florida Rock & Tank Lines, Inc. was appointed as President and Chief Executive Officer of the Company on March 13, 2017.

(8) Mr. McNulty was appointed the Vice President and Chief Financial Officer on October 5, 2017.

### **Nonqualified Deferred Compensation**

On December 21, 2016, Mr. Sandlin was granted 80,000 stock appreciation rights. The market price on the date of the grant was \$23.13. This award will vest upon the satisfaction of 2 vesting conditions: (1) the average closing price of the Company's common stock must exceed \$30.40 for a period of at least 60 consecutive days, and (2) Mr. Sandlin must continue to serve as President of Florida Rock & Tank Lines, Inc. until his 65<sup>th</sup> birthday. Mr. Sandlin's compensation under this award, if it should vest, will be no less than \$500,000.

### **Severance and Change of Control Agreements**

On December 5, 2007, the Company entered into change-in-control agreements with Messrs. Sandlin and Klopfenstein. The agreements are "double trigger" agreements that will pay benefits to Messrs. Sandlin and Klopfenstein, under certain circumstances, if they are terminated following a change-in-control of the Company or a sale of their particular business unit. The agreements provide that each will be entitled to receive an amount equal to two times his base salary plus maximum bonus if, during the two years after a change-in-control or sale of Florida Rock & Tank Lines, Inc. his employment is terminated other than for "cause" or he resigns for "good reason." In addition, Messrs. Sandlin and Klopfenstein will become fully vested in his stock options and restricted stock.

For this purpose, cause is generally defined as (i) conviction for commission of a felony, (ii) willful misconduct or gross negligence or material violation of policy resulting in material harm to his employer, (iii) repeated and continued failure by the executive to carry out, in all material respects, the employer's reasonable and lawful directions, or (iv) fraud, embezzlement, theft or material dishonesty. Good reason is generally defined as (i) a material reduction in compensation or benefits, (ii) a requirement that the executive relocate, or (iii) any material diminution in the executive's duties, responsibilities, reporting obligations, title or authority.

We believe these change-in-control arrangements, the value of which are contingent on a change of control transaction, effectively create incentives for our executive team to build shareholder value and to obtain the highest value possible should we be acquired in the future, despite the risk of losing employment. These change of control arrangements for our executive officers are "double trigger," meaning that acceleration of vesting is not awarded upon a change of control unless the executive's employment is terminated involuntarily (other than for cause) or by the executive for good reason within 24 months following the transaction. We believe this structure strikes a proper balance by not providing these benefits to executives who continue to enjoy employment with an acquiring company in the event of a change of control transaction. We also believe this structure is more attractive to potential acquiring companies, who may place significant value on retaining members of our executive team and who may perceive this goal to be undermined if executives receive significant acceleration payments in connection with such a transaction and are no longer required to continue employment.

## **SHAREHOLDER PROPOSALS**

Proposals of shareholders intended to be included in the Company's proxy statement and form of proxy relating to the annual meeting of shareholders to be held in early 2021 must be delivered in writing to the principal executive offices of the Company no later than September 1, 2020. The inclusion of any proposal will be subject to the applicable rules of the SEC.

Except for shareholder proposals to be included in the Company's proxy materials, the deadline for nominations for directors submitted by a shareholder is forty days before the next annual meeting, and for other shareholder proposals is February 1, 2020. Proposals must be sent to the Secretary of the Company at our principal executive offices. Any notice from a shareholder nominating a person as director must include certain additional information as specified in our Articles of Incorporation.

The Company may solicit proxies in connection with next year's annual meeting which confer discretionary authority to vote on any shareholder proposals of which the Company does not receive notice by November 10, 2020.

## **DELIVERY OF DOCUMENTS TO SHAREHOLDER SHARING AN ADDRESS**

A number of brokers with account holders who are Patriot shareholder will be "householding" Patriot's proxy materials. A single proxy statement will be delivered to multiple Patriot shareholder sharing an address unless contrary instructions have been received from the affected shareholder. Once you have received notice from your broker that they will be "householding" communications to your address, "householding" will continue until you are notified otherwise or until you revoke your consent. If, at any time, you no longer wish to participate in "householding" and would prefer to receive a separate proxy statement, please notify your broker, direct your written request to Patriot's principal offices, Attention: Secretary, or contact Patriot's Secretary by telephone at (904) 858-9100 and we will promptly deliver such separate copy. Patriot's principal offices are located at 200 W. Forsyth Street, 7th Floor, Jacksonville, FL 32202. Patriot shareholders who currently receive multiple copies of the proxy materials at their address and would like to request "householding" of their communications should contact their broker. In addition, upon written or oral request to the address or telephone number set forth above, we will promptly deliver a separate copy of the proxy materials to any Patriot shareholder at a shared address to which a single copy of the documents was delivered.

## **WHERE YOU CAN FIND ADDITIONAL INFORMATION**

Patriot files annual, quarterly and current reports, proxy statements and other information with the SEC under the Exchange Act. You may read and copy any of this information at the SEC's public reference room at 100 F Street, NE, Washington, D.C. 20549. Please call the SEC at 1-800-SEC-0330 or (202) 942-8088 for further information regarding the public reference room. The SEC also maintains a website at [www.sec.gov](http://www.sec.gov) that contains reports, proxy statements and other information regarding issuers, including Patriot, who file electronically with the SEC. The reports and other information filed by us with the SEC are also available at our website. The address of the site is [www.patriottrans.com](http://www.patriottrans.com). The web addresses of the SEC and Patriot have been included as inactive textual references only. The information contained on those websites is specifically not incorporated by reference into this proxy statement.

In addition, the SEC allows us to disclose important information to you by referring you to other documents filed separately with the SEC. This information is considered to be a part of this proxy statement, except for any information that is superseded by information included directly in this proxy statement or incorporated by reference subsequent to the date of this proxy statement as described below.

This proxy statement incorporates by reference the documents listed below that we have previously filed with the SEC (other than, in each case, documents or information deemed to have been furnished and not filed in accordance with SEC rules). They contain important information about Patriot and its financial condition.

- Our Annual Report on Form 10-K for the year ended September 30, 2019 filed with the SEC on December 11, 2019.

To the extent that any information contained in any report on Form 8-K, or any exhibit thereto, was furnished to, rather than filed with, the SEC by Patriot, such information or exhibit is specifically not incorporated by reference.

In addition, Patriot incorporates by reference any future filings it may make with the SEC under Section 13(a), 13(c), 14 or 15(d) of the Exchange Act after the date of this proxy statement and before the date of the annual meeting (excluding any current reports on Form 8-K to the extent disclosure is furnished and not filed). Those documents are considered to be a part of this proxy statement, effective as of the date they are filed. In the event of conflicting information in these documents, the information in the latest filed document should be considered correct.

You can obtain any of the other documents of Patriot listed above from the SEC, through the SEC's website at the address described above, or from us directly by requesting them in writing or by telephone at the following addresses and telephone number:

Patriot Transportation Holding, Inc.  
200 W. Forsyth Street, 7th Floor,  
Jacksonville, Florida 32202  
Attn: Corporate Secretary  
(904) 858-9100

If you are a Patriot shareholder and would like to request documents, please do so by 5:00 p.m. Eastern Time on January 18, 2020 to receive them before the annual meeting.

These documents are available from Patriot, without charge, excluding any exhibits to them, unless the exhibit is specifically listed as an exhibit to the registration statement of which this proxy statement forms a part. You can also find information about Patriot at its website at [www.patriottrans.com](http://www.patriottrans.com). Information contained on this website is specifically not incorporated by reference into this proxy statement.

This document is a proxy statement of Patriot for the annual meeting. We have not authorized anyone to give any information or make any representation about Patriot that is different from, or in addition to, the information or representations contained in this proxy statement or in any of the materials that we have incorporated by reference into this proxy statement. Therefore, if anyone does give you information or representations of this sort, you should not rely on it or them. This proxy statement is dated March 29, 2019. You should not assume that the information contained in this proxy statement is accurate as of any date other than that date, unless the information specifically indicates that another date applies, and the mailing of this proxy statement to our shareholders does not create any implication to the contrary.

## **TRANSACTION OF OTHER BUSINESS**

The Patriot Board knows of no other business to be presented for Patriot shareholder action at the annual meeting. However, if other matters do properly come before the annual meeting or any adjournment or postponements thereof, the Patriot Board intends that the persons named in the proxies will vote upon such matters in accordance with their best judgment.

By Order of the Board of Directors,

Matthew C. McNulty  
*Vice President, Chief Financial Officer and Secretary*  
Jacksonville, Florida  
December 16, 2019

**WHETHER OR NOT YOU PLAN TO ATTEND THE ANNUAL MEETING, PLEASE COMPLETE, SIGN, DATE AND PROMPTLY RETURN THE ACCOMPANYING PROXY IN THE ENCLOSED POSTAGE-PAID ENVELOPE. YOU MAY REVOKE YOUR PROXY AT ANY TIME PRIOR TO THE ANNUAL MEETING. THANK YOU FOR YOUR ATTENTION IN THIS MATTER. YOUR PROMPT RESPONSE WILL GREATLY FACILITATE ARRANGEMENTS FOR THE ANNUAL MEETING.**