

ISSUER DIRECT CORP  
Form DEF 14A  
April 22, 2015

---

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

SCHEDULE 14A INFORMATION

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

Filed by the Registrant   
Filed by a Party other than the Registrant

Check the appropriate box:

- Preliminary Proxy Statement
- Confidential, For Use of the Commission Only (As Permitted by Rule 14a-6(e)(2))
- Definitive Proxy Statement
- Definitive Additional Materials
- Soliciting Material under Rule 14a-12

ISSUER DIRECT CORPORATION  
(Name of Registrant as Specified In Its Charter)

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

Payment of Filing Fee (Check the appropriate box):

- No fee required
- Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

- (1) Title of each class of securities to which transaction applies:
- (2) Aggregate number of securities to which transaction applies:
- (3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):
- (4) Proposed maximum aggregate value of transaction:
- (5) Total fee paid:

Fee paid previously with preliminary materials.

Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the form or schedule and the date of its filing.

(1) Amount Previously Paid:

- (2) Form, Schedule or Registration Statement No.:
  - (3) Filing Party:
  - (4) Date Filed:
- 
-

Issuer Direct Corporation  
500 Perimeter Park Drive, Suite D  
Morrisville, NC 27560

April 22, 2015

To Our Stockholders:

We are pleased to invite you to attend our Annual Meeting of Stockholders to be held on Friday, June 12, 2015, at 9:00 a.m. EDT at the Company's office 500 Perimeter Park Drive, Suite D, Morrisville, NC 27560. The Board of Directors has fixed the close of business on April 13, 2015 as the record date for the determination of Stockholders entitled to receive notice of, and to vote at, the Annual Meeting. For directions to attend the meeting and vote in person, please visit our proxy website at <https://www.iproxydirect.com/ISDR>.

The attached Proxy Statement describes the matter proposed by your Board of Directors to be considered and voted upon by our stockholders at our Annual Meeting. These items are more fully described in the following pages, which are hereby made part of this Notice.

The Company's Proxy Statement and Proxy Card accompany this Notice.

Important Notice Regarding the Availability of Proxy Materials for the Annual Meeting of Stockholders to be held on June 12, 2015. Our Proxy Statement is attached. Financial and other information concerning the Company is contained in our Annual Report on Form 10-K for the year ended December 31, 2014, including financial statements. Under rules issued by the Securities and Exchange Commission ("SEC"), we are providing access to our proxy materials both by sending you this full set of proxy materials, including a Proxy Card, and by notifying you of the availability of our proxy materials on the Internet. The Proxy Statement and our Annual Report on Form 10-K are available on <https://www.iproxydirect.com/ISDR>.

Your vote is important. Whether you own relatively few or a large number of shares of our stock, it is important that your shares be represented and voted at the Annual Meeting. Please vote your shares online or by telephone or, if you requested and received a printed set of proxy materials by mail, by returning the accompanying proxy card. Further instructions on how to vote your shares can be found in our Proxy Statement.

We appreciate your support and continued confidence.

Sincerely,

/s/ Andre M. Boisvert  
Andre M. Boisvert  
Chairman of the Board of  
Directors

ISSUER DIRECT CORPORATION  
500 Perimeter Park Drive, Suite D  
Morrisville NC 27560  
(919) 481-4000

---

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS  
TO BE HELD ON JUNE 12, 2015

---

To our Stockholders:

Our Annual Meeting of Stockholders will be held on Friday, June 12, 2015, at 9:00 a.m. EDT at the Company's office 500 Perimeter Park Drive, Suite D, Morrisville, NC 27560 (the "Annual Meeting") for the following purposes:

1. To elect the five (5) directors nominated by our Board of Directors as set forth in the Proxy Statement;
2. An advisory vote on executive compensation as disclosed in this Proxy Statement;
3. An advisory vote on whether an advisory vote on executive compensation should be held every one, two, or three years;
4. To ratify the appointment by the Audit Committee of the Board of Directors of Cherry Bekaert, LLP as our independent registered public accounting firm for the year ending December 31, 2015; and
5. To transact such other business as may properly come before the meeting or any postponement or adjournment thereof.

You have the right to receive notice of and to vote at the Annual Meeting if you were a stockholder of record at the close of business on April 13, 2015. Please complete, sign, date and return your proxy card to us in the enclosed, postage-prepaid envelope at your earliest convenience, even if you plan to attend the Annual Meeting. If you prefer, you can authorize your proxy through the Internet or by telephone as described in the Proxy Statement and on the enclosed proxy card. If you attend the meeting, you may revoke your proxy prior to its exercise and vote in person at the meeting. In the event that there are not sufficient stockholders present for a quorum or sufficient votes to approve a proposal at the time of the Annual Meeting, the Annual Meeting may be adjourned from time to time in order to permit further solicitation of proxies by the Company.

Your vote is important. If you are unable to attend in person and wish to have your shares voted, please vote as soon as possible, whether online, by telephone, by fax or by returning a proxy card sent to you in response to your request for printed proxy materials.

By Order of the Board of  
Directors,

/s/ Andre M. Boisvert

Andre M. Boisvert  
Chairman of the Board of  
Directors

Morrisville, North Carolina  
April 22, 2015

**YOUR VOTE IS IMPORTANT**

IT IS IMPORTANT THAT PROXY CARDS BE RETURNED PROMPTLY. THEREFORE, WHETHER OR NOT YOU EXPECT TO ATTEND THE ANNUAL MEETING IN PERSON, PLEASE SIGN, DATE AND RETURN THE ENCLOSED PROXY CARD IN THE ENCLOSED RETURN ENVELOPE OR VOTE OVER THE INTERNET FOLLOWING THE INSTRUCTIONS ON THE PROXY AS SOON AS POSSIBLE. NO POSTAGE IS REQUIRED IF MAILED IN THE UNITED STATES. STOCKHOLDERS WHO EXECUTE A PROXY CARD OR VOTE OVER THE INTERNET MAY NEVERTHELESS ATTEND THE MEETING, REVOKE THEIR PROXY AND VOTE THEIR SHARES IN PERSON.

---

## TABLE OF CONTENTS

	Page
<u>PROXY STATEMENT</u>	
<u>QUESTIONS AND ANSWERS</u>	1
<u>DELIVERY OF DOCUMENTS</u>	3
<u>PROPOSAL 1: ELECTION OF THE FIVE (5) DIRECTORS TO SERVE UNTIL THE NEXT ANNUAL MEETING OR UNTIL THEIR SUCCESSORS ARE DULY ELECTED AND QUALIFIED</u>	4
<u>CORPORATE GOVERNANCE</u>	6
<u>Board Committees</u>	7
<u>Meetings and Attendance</u>	7
<u>Executive Compensation</u>	7
<u>Compensation of Directors</u>	8
<u>SECURITY OWNERSHIP OF BENEFICIAL OWNERS AND MANAGEMENT</u>	8
<u>EXECUTIVE COMPENSATION</u>	9
<u>Compensation Committee Report</u>	13
<u>PROPOSAL 2: ADVISORY VOTE ON EXECUTIVE COMPENSATION</u>	14
<u>PROPOSAL 3: ADVISORY VOTE ON THE FREQUENCY OF AN ADVISORY VOTE ON EXECUTIVE COMPENSATION</u>	15
<u>PROPOSAL 4: RATIFICATION OF THE SELECTION OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM</u>	16
<u>REPORT OF THE AUDIT COMMITTEE</u>	17
<u>CERTAIN RELATIONSHIPS AND RELATED PARTY TRANSACTIONS AND DIRECTOR INDEPENDENCE</u>	18
<u>OTHER MATTERS</u>	18
<u>ADDITIONAL INFORMATION</u>	18



PROXY STATEMENT  
QUESTIONS AND ANSWERS

Why am I receiving these proxy materials?

You are receiving these proxy materials because you owned shares of common stock of our company, Issuer Direct Corporation (the “Company”), at the close of business on April 13, 2015, and, therefore, are eligible to vote at the Company’s Annual Meeting of Stockholders to be held on Friday, June 12, 2015, at 9:00 a.m. EDT at the Company’s office 500 Perimeter Park Drive, Suite D, Morrisville, NC 27560 (the “Annual Meeting”). Our Board of Directors (the “Board”) is soliciting your proxy to vote at the Annual Meeting.

On what matters will I be voting?

Shareholders of record at the close of business on April 13, 2015 will be entitled to vote on the following proposals:

- i) To elect the five (5) directors nominated by our Board of Directors as set forth in the Proxy Statement;
- ii) An advisory vote on executive compensation as disclosed in this Proxy Statement;
- iii) An advisory vote on whether an advisory vote on executive compensation should be held every one, two, or three years;
- iv) To ratify the appointment by the Audit Committee of the Board of Directors of Cherry Bekaert, LLP as our independent registered public accounting firm for the fiscal year ending December 31, 2015.

The Board does not know of any matters to be presented at our Annual Meeting other than those described in this Proxy Statement. However, if any other matters properly come before the meeting or any adjournment thereof, it is the intention of the persons named in the enclosed proxy to vote the shares represented by them in accordance with their best judgment.

Where and when will the meeting be held?

The Annual Meeting will be held at the Company’s office 500 Perimeter Park Drive, Suite D, Morrisville, NC 27560 on June 12, 2015 at 9:00 a.m., local time.

How can I obtain directions to the meeting?

For directions to the location of our Annual Meeting, please visit our proxy website at <https://www.iproxydirect.com/ISDR>.

Who is soliciting my proxy?

Our Board is soliciting your proxy to vote at our Annual Meeting. By completing and returning a proxy card, you are authorizing the proxy holder to vote your shares at our Annual meeting as you have instructed.

How many votes may I cast?

Each holder of common stock is entitled to one vote, in person or by proxy, for each share of our common stock held of record on the record date.



How many votes can be cast by all stockholders?

Our common stock is the only class of security entitled to vote at our Annual Meeting. As of the record date, we had 2,323,243 shares of common stock outstanding, each of which is entitled to one vote.

How many shares must be present to hold the meeting?

Our bylaws provide that thirty-three and one third (33.3%) of the total number of shares of common stock outstanding constitutes a quorum and must be present to conduct a meeting of our stockholders.

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

If your shares are registered directly in your name with our transfer agent, Direct Transfer LLC, you are considered, with respect to those shares, the “stockholder of record.” Proxy Materials have been directly sent to you by us.

If your shares are held in a stock brokerage account or by a bank or other nominee, you are considered the “beneficial owner” of shares held in “street name.” Proxy Materials have been forwarded to you by your broker, bank, or nominee who is considered, with respect to those shares, the stockholder of record. As the beneficial owner, you have the right to direct your broker, bank, or nominee how to vote your shares by following their instructions which are included with this proxy, if applicable.

Can my shares be voted if I do not return the proxy card and do not attend the meeting in person?

If you hold shares in street name and you do not provide voting instructions to your broker, bank, or nominee, your shares will not be voted on any proposal for which your broker does not have discretionary authority to vote (a “broker non-vote”). Brokers generally have discretionary authority to vote shares held in street name on “routine” matters but not on “non-routine” matters. Proposals to ratify the appointment of the independent auditor are generally considered “routine” matters. Proposals to elect directors and to approve an employee stock purchase plan are “non-routine” matters.

If you do not vote the shares held in your name, your shares will not be voted. However, the Company may vote your shares if you have returned a blank or incomplete proxy card.

How does the Board of Directors recommend that I vote?

Our Board of Directors recommends that you vote in favor of all four proposals.

How do I vote?

You may vote using any of the following methods:

In person at the Annual meeting:

You may vote in person at the Annual meeting, either by attending the meeting yourself or authorizing a representative to attend the meeting on your behalf. You may also execute a proper proxy designating that person. If you are a street holder of shares, you must obtain a proxy from your broker, bank, or nominee naming you as the proxy holder and present it to the inspectors of election with your ballot when you vote at the Annual meeting.

Other ways to vote:

You may also vote by telephone or online as instructed in our Proxy, or by returning a proxy card or voting instruction form sent to you in response to your request for printed proxy materials.

MAIL: Please mark, sign, date, and return this Proxy Card promptly using the enclosed envelope.

FAX: Complete the reverse portion of this Proxy Card and Fax to 202-521-3464.

INTERNET: <https://www.iproxydirect.com/ISDR>

PHONE: 1-866-752-VOTE (8683)

Once I deliver my proxy, can I revoke or change my vote?

Yes. You may revoke or change your proxy at any time before it is voted by giving a written revocation notice to our corporate secretary, by delivering a new revised proxy no later than the end of the day prior to the annual meeting, or

by voting in person at the meeting.

Who pays for soliciting proxies?

We are paying for all costs of soliciting proxies. Our directors, officers, and employees may request the return of proxies by mail, telephone, internet, telefax, telegram, or personal interview. We are also requesting that banks, brokerage houses, and other nominees or fiduciaries forward the soliciting material to their principals and that they obtain authorization for the execution of proxies. We will reimburse them for their expenses.

Could other matters be considered and voted upon at the meeting?

Our Board does not expect to bring any other matter before the Annual Meeting and is not aware of any other matter that may be considered at the meeting. However, if any other matter does properly come before the meeting, the proxy holders will vote the proxies as the Board may recommend.

What happens if the meeting is postponed or adjourned?

Your proxy will still be good and may be voted at the postponed or adjourned meeting. You will still be able to change or revoke your proxy at any time until it is voted.

How Can I Contact Issuer Direct to Request Materials or Information Referred to in these Questions and Answers?

By mail addressed to: Issuer Direct Corporation, 500 Perimeter Park Drive, Suite D, Morrisville, NC 27560, Attn: Chairman of the Board. By Phone, call 919.481.4000 or 888.752.VOTE, by fax, 212.521.3464 or by email, [proxy@iproxydirect.com](mailto:proxy@iproxydirect.com)

#### DELIVERY OF DOCUMENTS TO SECURITY HOLDERS SHARING AN ADDRESS

We will only deliver one set of materials to multiple stockholders sharing an address, unless we have received contrary instructions from one or more of the stockholders. Also, we will promptly deliver a separate copy of these materials and future stockholder communication documents to any stockholder at a shared address to which a single copy of these materials were delivered, or deliver a single copy of these materials and future stockholder communication documents to any stockholder or stockholders sharing an address to which multiple copies are now delivered, upon written request to us at our address noted above. Stockholders may also address future requests regarding delivery of proxy materials and/or annual reports by contacting us at the address noted above.

## PROPOSAL 1

## ELECTION OF THE FIVE (5) DIRECTORS TO SERVE UNTIL THE NEXT ANNUAL MEETING OR UNTIL THEIR SUCCESSORS ARE DULY ELECTED AND QUALIFIED

## Nominees for Director

At our Annual Meeting of Stockholders, stockholders will elect five (5) directors, each to serve a term of one year or until his or her successor is elected and qualified. Our Board of Directors is currently comprised of six directors.

However, as disclosed in the Current Report on Form 8-K filed with the SEC on March 26, 2015, Wesley Pollard will not be standing for re-election as a member of the Board of Directors at the Annual Meeting. The Board of Directors does not intend to appoint a new director to replace Mr. Pollard at this time.

Our Board of Directors is not divided into classes of directors, meaning all of our directors are voted on every year at our Annual Meeting of Stockholders.

Unless otherwise instructed on the proxy card, each of the persons named as proxies on the proxy card intends to vote the shares represented thereby in favor of the five (5) nominees listed under "Certain Information Concerning Director Nominees" below.

Each director nominee named below is presently serving as a director of our Company. All nominees have consented to being named in this Proxy Statement and to serve if elected. If, however, any nominee should become unable or unwilling to serve, the persons named as proxies on the proxy card will vote the shares represented by the proxy for another person duly nominated by our Board.

## Certain Information Concerning Director Nominees

Certain information concerning the nominees for election as directors is set forth below. This information was furnished to us by the nominees. No family relationship exists between any of our directors or executive officers.

The five directors have been nominated for election to the Board of Directors at the Annual Meeting to be held on June 12, 2015.

The names of the nominees and certain information about them as of April 13, 2015 are set forth below:

Nominee	Age	Position	Director Since
Andre M. Boisvert	61	Chairman of the Board, Member of the Audit Committee	2012
William H. Everett	64	Director, Chairman of the Audit Committee, Member of Compensation Committee	2013
David Sandberg	42	Director, Chairman of the Compensation Committee	2013
J. Patrick Galleher	41	Director	2014
Brian R. Balbirnie	43	Director, Chief Executive Officer	2007

## Andre M. Boisvert – Chairman of the Board

Mr. Boisvert joined the Board of Directors of Issuer Direct Corporation in July 2012 and is currently the Chairman of the Board. Mr. Boisvert is a long-time leader in the Business Intelligence arena with over 25 years of executive

experience with enterprise software giants such as Oracle (NASDAQ: ORCL) and SAS Institute Inc. He has also held senior management positions at Cognos (NASDAQ: COGN), IBM (NYSE: IBM) and Sagent (NASDAQ: SGNT). At Cary, NC-based SAS Institute Inc., Mr. Boisvert was president and chief operating officer. While at Oracle, he was senior vice president of Worldwide Marketing and served as a member of Oracle's Worldwide Management Committee. Mr. Boisvert has also held senior executive positions in sales, marketing and Research & Development at IBM, where he was a 13-year veteran. Mr. Boisvert is currently on the Board of Directors of several enterprise software companies, Palamida Corporation, Infobright Inc., Smartfocus Inc., Riverlogic Corporation, Zend Technologies Inc., Transera Communications Corporation and Clario Analytics Inc.

William H. Everett – Director, Chairman of the Audit Committee, Member of the Compensation Committee

Mr. Everett joined the Board of Directors of Issuer Direct Corporation on October 2, 2013. Mr. Everett has more than thirty years of management experience and currently serves as a director of Hakisa SAS in Strasbourg France. In addition, Mr. Everett recently served on the Board of NeoNova Network Services until it was acquired in July 2013. Mr. Everett retired as Executive Vice President and CFO of Tekelec, a publicly traded telecom equipment supplier, in April 2010. Since that time, he has served as a corporate director and provided consulting services to public company and private equity clients. He currently serves as an Executive in Residence at the Poole College of Management at NC State University. He has significant experience as both a Chief Financial Officer and a general manager working with a variety of multi-national technology companies over his career. Mr. Everett joined Tekelec as part of their acquisition of Steleus in October 2004. At Steleus, Mr. Everett served as Executive Vice President and CFO and was responsible for the worldwide finance and administration functions of the Company. Prior to Steleus, Mr. Everett was Vice President of Finance and Administration and CFO of Chemfab Corporation, a publicly traded polymer sciences Company. During his career, Mr. Everett also held executive operating and financial management positions at several other high tech companies, including Epsilon Data Management and Eastman Software. He was the Co-founder and President of Maps a la Carte, an internet mapping and spatial data company, which was acquired by Demand Media Inc.

## David Sandberg – Director, Chairman of the Compensation Committee

Mr. Sandberg joined the Board of Directors of Issuer Direct Corporation on August 22, 2013. Mr. Sandberg is the founder and portfolio manager of Red Oak Partners, LLC, a NY-based hedge fund, which he founded in March 2003. He is also the portfolio manager of the Pinnacle Fund LLP, which he co-founded in 2008. Previously, Mr. Sandberg co-managed JH Whitney & Co's Green River Fund from 1998-2002. Mr. Sandberg serves as the Chairman of the Board of Asure Software, Inc. and SMTC Corp, both of which are public companies, and as Chairman of the Board of Kensington Vanguard Group, a private independent title insurance agency. Previously Mr. Sandberg served as a director of public companies EDCI, Inc., RF Industries, Ltd. and Planar Systems, Inc. Mr. Sandberg has experience serving as a member of and as Chairman of each of Audit, Compensation, Nominating & Governance, and Strategic committees for public companies. He received a BA in Economics and a BS in Industrial Management from Carnegie Mellon University in 1994.

## J. Patrick Galleher – Director

Mr. Galleher joined the Board of Directors of Issuer Direct Corporation on March 11, 2014. Mr. Galleher is a Managing Director for Boxwood Partners, LLC, a merchant bank in Richmond, Virginia, where he leads transactions for Boxwood's merger and acquisition advisory services and private equity group and a Managing Director for Boxwood Capital Partners, LLC, a private investment firm also located in Richmond, Virginia. He has led several transactions including the sale of Dorsey Wright & Associates, the capital raise for Digital Risk, the majority investment in Sweet Frog Yogurt and the buy-outs of Yoga Direct, Yoga Accessories, Everything Yoga and Red Rock Products. Mr. Galleher holds a B.S. in Business Administration from the University of Richmond and a degree from the London Business School as well as attending the Centre for Creative Leadership in Belgium.

## Brian R. Balbirnie – Director, Chief Executive Officer

Mr. Balbirnie is a member of the Board and Chief Executive Officer. Mr. Balbirnie established Issuer Direct in 2006 with a vision of creating a technology driven back-office compliance platform that would reduce costs as well as increase the efficiencies of the most complex tasks, today the company calls it the Disclosure Management System (DMS). Mr. Balbirnie is responsible for the strategic leadership of the company and oversees day-to-day operations. Under Mr. Balbirnie's direction, the Company has grown to serve over 2,000 public companies since 2006. Mr. Balbirnie is an entrepreneur with more than 20 years of experience in emerging industries. Prior to Issuer Direct, Mr. Balbirnie was the founder and managing partner of Catapult Company, a compliance and consulting practice focused on the Sarbanes Oxley Act. Mr. Balbirnie also has served in 'C' level capacities for various companies both public and private. Prior to and with Catapult, Mr. Balbirnie also advised several companies on their public market strategies, Merger & Acquisitions as well as their financial reporting requirements.

## Board and Committee Membership

The table below provides committee membership as of April 13, 2015.

Board Member	Audit Committee	Compensation Committee
<b>Independent Directors</b>		
Andre M. Boisvert *	X	
David Sandberg *		C
William H. Everett *	C	X
J. Patrick Galleher *		
<b>Internal Directors</b>		

Brian R Balbirnie  
Wesley Pollard

C= Committee Chairman

X = Committee Member  
= Independent

\*

THE BOARD OF DIRECTORS RECOMMENDS A VOTE "FOR" THE ELECTION OF FIVE (5) DIRECTORS,  
UNTIL THE NEXT ANNUAL MEETING OR UNTIL THEIR SUCCESSORS ARE DULY ELECTED AND  
QUALIFIED.

5

---



## CORPORATE GOVERNANCE

Our Directors will serve until our next annual meeting of the shareholder or until their resignation or removal.

Our directors are elected at the annual meeting of the shareholders, with vacancies filled by the Board of Directors, and serve until their successors are elected and qualified, or their earlier resignation or removal. Officers are appointed by the Board of Directors and serve at the discretion of the Board of Directors or until their earlier resignation or removal. Any action required can be taken at any annual or Annual meeting of stockholders of the corporation which may be taken without a meeting, without prior notice and without a vote, if consent of consents in writing setting forth the action so taken, shall be signed by the holders of the outstanding stock having not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting at which all shares entitled to vote thereon were present and voted and shall be delivered to the corporation by delivery to its registered office, its principle place of business, or an officer or agent of the corporation having custody of the book in which the proceedings of meetings are recorded.

### Indemnification of Directors and Officers

Section 145 of the General Corporation Law of the State of Delaware provides, in general, that a corporation incorporated under the laws of the State of Delaware, as we are, may indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding (other than a derivative action by or in the right of the corporation) by reason of the fact that such person is or was a director, officer, employee or agent of the corporation, or is or was serving at the request of the corporation as a director, officer, employee or agent of another enterprise, against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by such person in connection with such action, suit or proceeding if such person acted in good faith and in a manner such person reasonably believed to be in or not opposed to the best interests of the corporation and, with respect to any criminal action or proceeding, had no reasonable cause to believe such person's conduct was unlawful. In the case of a derivative action, a Delaware corporation may indemnify any such person against expenses (including attorneys' fees) actually and reasonably incurred by such person in connection with the defense or settlement of such action or suit if such person acted in good faith and in a manner such person reasonably believed to be in or not opposed to the best interests of the corporation, except that no indemnification will be made in respect of any claim, issue or matter as to which such person will have been adjudged to be liable to the corporation unless and only to the extent that the Court of Chancery of the State of Delaware or any other court in which such action was brought determines such person is fairly and reasonably entitled to indemnity for such expenses.

Our certificate of incorporation and bylaws provide that we will indemnify our directors, officers, employees and agents to the extent and in the manner permitted by the provisions of the General Corporation Law of the State of Delaware, as amended from time to time, subject to any permissible expansion or limitation of such indemnification, as may be set forth in any stockholders' or directors' resolution or by contract. Any repeal or modification of these provisions approved by our stockholders will be prospective only and will not adversely affect any limitation on the liability of any of our directors or officers existing as of the time of such repeal or modification.

We are also permitted to apply for insurance on behalf of any director, officer, employee or other agent for liability arising out of his actions, whether or not the General Corporation Law of the State of Delaware would permit indemnification.

### Directors' and Officers' Liability Insurance

We have directors' and officers' liability insurance insuring our directors and officers against liability for acts or omissions in their capacities as directors or officers.

#### Code of Ethics

We have adopted a code of ethics that applies to our officers, directors and employees, including our principal executive officer and principal accounting officer, which is posted on our website at [www.issuerdirect.com](http://www.issuerdirect.com).

#### Director Independence

The Board of Directors has determined that Messrs. Boisvert, Everett, Galleher and Sandberg satisfy the requirement for independence set out in Section 303A.02 of the NYSE MKT rules and that each of these directors has no material relationship with us (other than being a director and/or a stockholder). In making its independence determinations, the Board of Directors sought to identify and analyze all of the facts and circumstances relating to any relationship between a director, his immediate family or affiliates and our company and our affiliates and did not rely on categorical standards other than those contained in the NYSE MKT rule referenced above.

## Board Committees

Our Board of Directors has established an Audit Committee and a Compensation Committee, each of which has the composition and responsibilities described below.

### Audit Committee

Our Audit Committee was implemented on October 23, 2013 and is currently comprised of Messrs. Boisvert and Everett, each of whom our Board has determined to be financially literate and qualify as an independent director under Section 303A.02 of the NYSE MKT rules and Section 10A(m) of the Securities Exchange Act of 1934, as amended. Mr. Everett is the chairman of our Audit Committee and qualifies as a financial expert, as defined in Item 407(d)(5)(ii) of Regulation S-K. The Audit Committee's duties are to recommend to our Board of Directors the engagement of independent auditors to audit our financial statements and to review our accounting and auditing principles. The Audit Committee will review the scope, timing and fees for the annual audit and the results of audit examinations performed by the independent public accountants, including their recommendations to improve the system of accounting and internal controls. During the year ended December 31, 2014, our Audit Committee met six times.

### Compensation Committee

Our Compensation Committee was implemented on October 23, 2013 and is currently comprised of Messrs. Everett and Sandberg, each of whom our Board has determined to qualify as an independent director under Section 303A.02 of the NYSE MKT rules. Mr. Sandberg is the chairman of our Compensation Committee. The Compensation Committee reviews and approves our salary and benefits policies, including compensation of executive officers and directors. The Compensation Committee also administers our stock option plans and recommends and approves grants of stock options under such plans. During the year ended December 31, 2014, our Compensation Committee met three times.

### Meetings and Attendance

During the year ended December 31, 2014, the Board of Directors held twelve meetings, and each director attended all of (i) Board meetings held during the period for which he was a director and (ii) committee meetings held during the period for which he was a committee member. We do not have a policy requiring director attendance at stockholder meetings, but members of our Board of Directors are encouraged to attend.

### Communications with the Board of Directors

A stockholder who wishes to communicate with our Board of Directors, any committee of our Board of Directors, the non-management directors or any particular director, may do so by writing to such director or directors in care of the Secretary, c/o Issuer Direct Corporation, 500 Perimeter Park Drive, Morrisville, NC 27560. Our secretary will forward such communication to the full Board of Directors, to the appropriate committee or to any individual director or directors to whom the communication is addressed, unless the communication is unrelated to the duties and responsibilities of our Board of Directors (such as spam, junk mail and mass mailings, ordinary course disputes over fees or services, personal employee complaints, business inquiries, new product or service suggestions, resumes and other forms of job inquiries, surveys, business solicitations or advertisements) or is unduly hostile, threatening, illegal, or harassing, in which case our secretary has the authority to discard the communication or take appropriate legal action regarding the communication.

### Executive Compensation

Edgar Filing: ISSUER DIRECT CORP - Form DEF 14A

The following table shows amounts earned by each officer in the years ended December 31, 2012, 2013, and 2014:

Name and Principal Position	Year	Salary	Deferred Compensation	Bonus	Stock Awards	Option/Warrant Awards	All Other Compensation	Total
Brian R. Balbirnie Chief Executive Officer	2014	\$ 180,345	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 180,345
	2013	\$ 140,753	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 140,753
	2012	\$ 106,997	\$ -	\$ 5,000	\$ 66,600	\$ -	\$ -	\$ 178,597
Wesley Pollard Chief Financial Officer(2)	2014	\$ 155,345	\$ -	\$ 9,939 (1)	\$ -	\$ -	\$ -	\$ 165,284
	2013	\$ 104,484	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 104,484(1)
	2012	\$ 84,000	\$ -	\$ 3,000	\$ 66,600	\$ -	\$ -	\$ 153,600

(1) In 2014, Mr. Pollard received a cash bonus of \$9,939 which was earned during the fiscal year ended December 31, 2013 as further described in the “Executive Compensation” section below.

(2) As disclosed in the Current Report on Form 8-K filed with the SEC on March 26, 2015, Mr. Pollard will be resigning his position as the Company’s Chief Financial Officer effective the business day after the filing of the Company’s Quarterly Report on Form 10-Q for the period ended March 31, 2015.

## Compensation of Directors

The general policy of the Board of Directors is that compensation for independent directors should be a nominal cash fee plus equity-based compensation. We do not pay employee directors for Board service in addition to their regular employee compensation. The Board of Directors have the primary responsibility for considering and determining the amount of director compensation.

The following table shows amounts earned by each non-employee director in fiscal 2014:

Director	Fees Earned or Paid in Cash	Stock Awards	Warrant Awards	Non-Equity Incentive Plan Compensation	Change in Pension Value and Nonqualified Deferred Compensation	All Other Compensation	Total
Andre M. Boisvert	\$ 30,000	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 30,000
William H. Everett	\$ 28,000	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 28,000
David Sandberg	\$ 26,000	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 26,000
J. Patrick Galleher	\$ 20,000	480,023	\$ —	\$ —	\$ —	\$ 4,000(1)	\$ 504,023

(1) During the fiscal year 2014 and prior to his appointment as a Director on March 11, 2014, Mr. Galleher was paid \$4,000 as part of a consulting arrangement with the Company.

## SECURITY OWNERSHIP OF BENEFICIAL OWNERS AND MANAGEMENT

The following table sets forth certain information as of April 20, 2015, regarding the beneficial ownership of our common stock by (i) each person or entity who, to our knowledge, beneficially owns more than 5% of our common stock; (ii) each executive officer and named officer; (iii) each director; and (iv) all of our officers and directors as a group. Unless otherwise indicated in the footnotes to the following table, each of the stockholders named in the table has sole voting and investment power with respect to the shares of our common stock beneficially owned. Except as otherwise indicated, the address of each of the stockholders listed below is: c/o Issuer Direct Corporation, 500 Perimeter Park Drive, Suite D, Morrisville, North Carolina 27560.

Name of Beneficial Owner	Number of Shares Owned (1)	Percentage Owned (1)
Brian R. Balbirnie (2)	629,037(5)	22.44%
Wesley Pollard (2)	88,300	3.15%
Andre M. Boisvert (3)	27,500(6)	0.98%
William H. Everett (3)	15,400(7)	0.55%
David Sandberg (3)	649,922(8)	23.18%
J. Patrick Galleher (3)	11,000	0.39%
James Michael (4)	261,100	9.32%
All officers, directors, and management as a group (7 persons)	1,682,259	60.01%

## Other beneficial holders:

Yorkmont Capital Partners, LP	148,750	5.31%
-------------------------------	---------	-------

(1) Applicable percentage of ownership is based on a total of 2,803,206 shares of common stock, which consist of 2,323,243 shares of common stock outstanding on April 20, 2015, plus shares that are beneficially owned as of that date. Beneficial ownership is determined in accordance with rules of the Securities and Exchange Commission and means voting or investment power with respect to securities. Shares of our common stock issuable upon the exercise of stock options exercisable currently or within 60 days of April 20, 2014 are deemed outstanding and to be beneficially owned by the person holding such option for purposes of computing such person's percentage ownership, but are not deemed outstanding for the purpose of computing the percentage ownership of any other person.

- (2) Officer and director. However, as disclosed in the Current Report on Form 8-K filed with the SEC on March 26, 2015, Mr. Pollard will not be standing for re-election as a member of the Board of Directors at the Annual Meeting and will be resigning his position as the Company's Chief Financial Officer effective the business day after the filing of the Company's Quarterly Report on Form 10-Q for the period ended March 31, 2015.
- (3) Director.
- (4) Management.
- (5) Includes options to purchase 18,171 shares of common stock that are currently exercisable or exercisable within 60 days of April 20, 2015.
- (6) Includes options to purchase 2,500 shares of common stock that are currently exercisable or exercisable within 60 days of April 20, 2015.
- (7) Includes options to purchase 15,000 shares of common stock that are currently exercisable or exercisable within 60 days of April 20, 2015.
- (8) Comprised of (i) 417,712 shares of common stock currently exercisable under the 8% Note with Red Oak as disclosed on a Schedule 13D filed by Red Oak on August 29, 2013 (ii) options to purchase 17,500 shares of common stock that are currently exercisable or exercisable within 60 days of March 31, 2015, and (iii) 214,710 shares held by Red Oak and related entities. Mr. Sandberg is the managing partner of Red Oak and possesses voting and investment control of the same.

## EXECUTIVE COMPENSATION

### Compensation Discussion and Analysis

We formed a Compensation Committee on October 23, 2013. Prior to that date, all compensation decisions for our named executive officers were made by our Board of Directors.

The Compensation Committee of our Board of Directors will review at least annually and determine (or recommend to the Board of Directors as the case may be) the executive compensation for Mr. Balbirnie and any other named executive officers, including approving any grants of stock options or other equity incentive awards in accordance with the philosophy and components described in this Proxy Statement. To date, neither the Board of Directors nor the Compensation Committee has retained the services of a compensation consultant. The Compensation Committee does not intend to retain such services for 2015 but may decide to do so in the future.

We currently have employment agreements with Brian Balbirnie and Wesley Pollard. The terms are summarized below:

#### Brian R. Balbirnie Employment Agreement

On April 30, 2014, Issuer Direct Corporation (the "Company") entered into an Executive Employment Agreement (the "Balbirnie Agreement") with Brian R. Balbirnie to serve as the Company's President and Chief Executive Officer. Mr. Balbirnie has served as the Company's most senior executive officer since 2006 without a formal employment agreement. The Balbirnie Agreement will continue until terminated pursuant to its terms as described below.

Under the Balbirnie Agreement, Mr. Balbirnie is entitled to an annual base salary of \$185,000. The base salary will be reviewed annually by the Company's Board of Directors (the "Board") for increase as part of its annual compensation review. Mr. Balbirnie is also eligible to receive an annual bonus of 45% of his annual base salary upon the achievement of reasonable target objectives and performance goals, to be determined by the Board in consultation with Mr. Balbirnie on or before the end of the first quarter of the fiscal year to which the bonus relates. In addition, Mr. Balbirnie is eligible to receive such additional bonus or incentive compensation as the Board may establish from time to time in its sole discretion.

Pursuant to the Balbirnie Agreement, if Mr. Balbirnie's employment is terminated upon his disability, by Mr. Balbirnie for good reason (as such term is defined in Balbirnie Agreement), or by us without cause (as such term is defined in Balbirnie Agreement), Mr. Balbirnie will be entitled to receive, in addition to other unpaid amounts owed to him (e.g., for base salary, accrued personal time and business expenses): (i) to the then base salary for a period of twelve months (in accordance with the Company's general payroll policy) commencing on the first payroll period following the fifteenth day after termination of employment and (ii) substantially similar coverage under the Company's then-current medical, health and vision insurance coverage for a period of twelve months. Additionally, if Mr. Balbirnie's employment is terminated for disability, the vesting of any option grants will continue to vest pursuant to the schedule and terms previously established during the twelve month severance period. Subsequent to the twelve month severance period the vesting of any option grants will immediately cease. If Mr. Balbirnie's employment is terminated without cause, vesting of any option grants will immediately cease upon termination except as described below relating to a corporate transaction.



If the Company terminates Mr. Balbirnie's employment for cause or employment terminates as a result of Mr. Balbirnie's resignation or death, Mr. Balbirnie will only be entitled to unpaid amounts owed to him and the vesting of any option grants will immediately cease.

Mr. Balbirnie has no specific right to terminate the employment agreement or right to any severance payments or other benefits solely as a result of a corporate transaction (as defined in the Company's 2010 Equity Incentive Plan). However, if within twelve months following a corporate transaction, Mr. Balbirnie terminates his employment for good reason or the Company terminates his employment without cause, the severance period discussed above will be increased from twelve to eighteen months and any then unvested options held by Mr. Balbirnie will immediately vest and become exercisable for a period equal to the earlier of (i) six months from termination or (ii) the expiration of such option grant pursuant to its original terms.

The Balbirnie Agreement also contains certain noncompetition, no solicitation, confidentiality, and assignment of inventions requirements for Mr. Balbirnie.

#### Wesley Pollard Employment Agreement

On April 30, 2014, the Company entered into an Executive Employment Agreement (the "Pollard Agreement") with Wesley Pollard to serve as the Company's Chief Financial Officer. Mr. Pollard has served as the Company's full-time Chief Financial Officer since August 2013 and as its part-time Chief Financial Officer since December 2009 without a formal employment agreement. The Pollard Agreement will continue until terminated pursuant to its terms as described below.

Under the Pollard Agreement, Mr. Pollard is entitled to an annual base salary of \$160,000. The base salary will be reviewed annually by the Company's Board for increase as part of its annual compensation review. Mr. Pollard is also eligible to receive an annual bonus of 35% of his annual base salary upon the achievement of reasonable target objectives and performance goals, to be determined by the Board in consultation with Mr. Pollard on or before the end of the first quarter of the fiscal year to which the bonus relates. In addition, Mr. Pollard is eligible to receive such additional bonus or incentive compensation as the Board may establish from time to time in its sole discretion.

Pursuant to the Pollard Agreement, if Mr. Pollard's employment is terminated upon his disability, by Mr. Pollard for good reason (as such term is defined in Pollard Agreement), or by us without cause (as such term is defined in Pollard Agreement), Mr. Pollard will be entitled to receive, in addition to other unpaid amounts owed to him (e.g., for base salary, accrued personal time and business expenses): (i) to the then base salary for a period of six months (in accordance with the Company's general payroll policy) commencing on the first payroll period following the fifteenth day after termination of employment and (ii) substantially similar coverage under the Company's then-current medical, health and vision insurance coverage for a period of six months. Additionally, if Mr. Pollard's employment is terminated for disability, the vesting of any option grants will continue to vest pursuant to the schedule and terms previously established during the six month severance period. Subsequent to the six month severance period the vesting of any option grants will immediately cease. If Mr. Pollard's employment is terminated without cause, vesting of any option grants will immediately cease upon termination except as described below relating to a corporate transaction.

If the Company terminates Mr. Pollard's employment for cause or employment terminates as a result of Mr. Pollard's resignation or death, Mr. Pollard will only be entitled to unpaid amounts owed to him and the vesting of any option grants will immediately cease.

Mr. Pollard has no specific right to terminate the employment agreement or right to any severance payments or other benefits solely as a result of a corporate transaction (as defined in the Company's 2010 Equity Incentive Plan).

However, if within six months following a corporate transaction, Mr. Pollard terminates his employment for good reason or the Company terminates his employment without cause, the severance period discussed above will be increased from six to twelve months and any then unvested options held by Mr. Pollard will immediately vest and become exercisable for a period equal to the earlier of (i) six months from termination or (ii) the expiration of such option grant pursuant to its original terms.

The Pollard Agreement also contains certain noncompetition, no solicitation, confidentiality, and assignment of inventions requirements for Mr. Pollard.

As disclosed in the Current Report on Form 8-K filed with the SEC on March 26, 2015, Mr. Pollard will be resigning his position as the Company's Chief Financial Officer effective the business day after the filing of the Company's Quarterly Report on Form 10-Q for the period ended March 31, 2015. Mr. Pollard will not be receiving any severance benefits under the Pollard Agreement. At such time, the Pollard Agreement shall terminate except with respect to the restrictive covenants contained therein and set forth above.

## Philosophy of Compensation

The goals of our compensation policy are to ensure that executive compensation rewards management for helping us achieve our financial goals (increased sales, profitability, etc.), meet our product development milestones, and align management's overall goals and objectives with those of our stockholders. To achieve these goals, our Compensation Committee and Board of Directors aim to achieve the following:

provide competitive compensation packages that enable us to attract and retain superior management personnel;

relate compensation to the Company's overall performance, the individual officer's performance and our assessment of the officer's future potential;

reward our officers fairly for their role in our achievements; and

align executive's objectives with the objectives of stockholders, including through the grant of equity awards.

We have determined that in order to best meet these objectives, our executive compensation program should balance fixed and bonus compensation, as well as cash and equity compensation, as discussed below. Historically, there has been no pre-established policy or target for the allocation between either cash and non-cash or short-term and long-term incentive compensation for our executive officers.

## Components of Compensation

The four principal components of our compensation program for our named executive officers are base salary, personal benefits (such as health and dental insurance), cash bonuses and or equity based grants. As noted below, cash bonuses and equity grants are not necessarily earned or granted every year.

**Base Salary.** The primary component of compensation for our named executive officers is base salary. Base salary levels for our named executive officers have historically been determined based upon an evaluation of a number of factors, including the individual officer's level of responsibility and our overall performance. The Compensation Committee intends to review each named executive officer's base salary on an annual basis and adjust such salaries as deemed appropriate.

**Cash Bonus.** Prior to 2014, we paid nominal cash bonuses to named executive officers. In the year ended December 31, 2014, Wes Pollard received a cash bonus of \$9,939 with no other bonuses paid to named executive officers. In keeping with the compensation strategy described above, we anticipate that cash bonus opportunities will become a more significant component of compensation for our executive officers.

We intend to consider the amount of cash bonus that each of our named executive officers should be entitled to receive in connection with our annual compensation review, taking into account each executive's total compensation package, and any more formal data we obtain regarding the compensation levels of similarly situated executives. We will also consider in connection with such review whether to designate certain financial or operational metrics or other objective or subjective criteria in determining the final amounts of such awards.

**Equity Based Grants.** An additional principal component of our compensation policy for named executive officers consists of grants of stock options and other equity awards. Prior to 2014, all equity incentive awards were made either (i) in accordance with negotiated terms at levels deemed necessary to attract or retain the executive at the time

of such negotiations and determined taking into account the recipient's overall compensation package and the goal of aligning such executive's interest with that of our stockholders, or (ii) at the discretion of the Board of Directors without reference to any formal targets or objectives, when deemed appropriate in connection with extraordinary efforts or results or necessary in order to retain the executive in light of the executive's overall compensation package.

Since its formation on October 23, 2013, the Compensation Committee has not made any equity awards to the named executive officers but may do so in 2015. Our Compensation Committee and our Board of Directors intends to consider during our annual compensation review whether to grant equity incentive awards to our named executive officers, and the terms of any such awards, including whether to set any performance targets or other objective or subjective criteria related to the final grant or vesting of such awards. The Compensation Committee will also retain the flexibility to make additional grants throughout the year if deemed necessary or appropriate in order to retain our named executive officers or reward extraordinary efforts or achievements.

#### Compensation of Named Executive Officers

Compensation of Chief Executive Officer. During the twelve months ended December 31, 2014, Mr. Balbirnie's total compensation was \$180,345. Mr. Balbirnie's total compensation was comprised solely of salary payments from January 1, 2014 through December 31, 2014.

On April 30, 2014, the Board of Directors implemented a 2014 cash bonus plan for Mr. Balbirnie based on the following criteria:

Cash bonus target was 45% of annualized base salary of \$185,000.

Cash bonus plan for was based on the achievement of target financial results during the 2014 fiscal year.

Cash bonus target scaling was based upon achievement of 90% of the target financial numbers, payout is 50% of target and scales to 100% at 100% of the target numbers. At 110% and 120% of the achievement of the financial numbers, payout is 110% and 120%, respectively. The payout is a maximum of 120% of target bonus.

Based on these criteria and as noted above, Mr. Balbirnie did not receive any bonuses for the year ended December 31, 2014.

On January 7, 2015, the Board of Directors implemented a 2015 cash bonus plan for Mr. Balbirnie based on the following criteria:

Cash bonus target was 45% of annualized base salary of \$185,000.

Cash bonus plan for was based on the achievement of target financial results during the 2015 fiscal year.

Cash bonus target scaling was based upon achievement of 90% of the target financial numbers, payout is 50% of target and scales to 100% at 100% of the target numbers. At 110% and 120% of the achievement of the financial numbers, payout is 110% and 120%, respectively. The payout is a maximum of 120% of target bonus.

Compensation of Chief Financial Officer. For the twelve months ended December 31, 2014, Mr. Pollard's total compensation was \$165,284. Mr. Pollard's total compensation was comprised of salary payments from January 1, 2014 through December 31, 2014 totaling \$155,345 and a cash bonus of \$9,929 relating to 2013 and paid in 2014.

On April 30, 2014, the Board of Directors implemented a 2014 cash bonus plan for Mr. Pollard based on the following criteria:

Cash bonus target was 35% of annualized base salary of \$160,000.

Cash bonus plan for was based on the achievement of target financial results during the Bonus Period.

Cash bonus target scaling was based upon achievement of 90% of the target financial numbers, payout is 50% of target and scales to 100% at 100% of the target numbers. At 110% and 120%

of the achievement of the financial numbers, payout is 110% and 120%, respectively. The payout is a maximum of 120% of target bonus.

Based on these criteria and as noted above, Mr. Pollard did not receive any bonuses for the year ended December 31, 2014.

As disclosed in the Current Report on Form 8-K filed with the SEC on March 26, 2015, Mr. Pollard will be resigning his position as the Company's Chief Financial Officer effective the business day after the filing of the Company's Quarterly Report on Form 10-Q for the period ended March 31, 2015. As such, Mr. Pollard will not be receiving any cash bonuses in the future.

#### Impact of Tax Laws

**Deductibility of Executive Compensation.** Generally, under U.S. law, a company may not deduct compensation of more than \$1,000,000 that is paid to an individual employed by the company who, on the last day of the taxable year, either is the company's principal executive officer or an individual who is among the three highest compensated officers for the taxable year (other than the principal executive officer or the principal financial officer). The \$1,000,000 limitation on deductions does not apply to certain types of compensation, including qualified performance-based compensation, and only applies to compensation paid by a publicly-traded corporation (and not compensation paid by non-corporate entities). Because the compensation deducted in the U.S. for each individual to whom this rule applies has historically been less than \$1,000,000 per year, we do not believe that the \$1,000,000 limitation will affect us in the near future. If the deductibility of executive compensation becomes a significant issue, our compensation plans and policies may be modified to maximize deductibility if our Compensation Committee and we determine that such action is in our best interests.

### Risk Considerations in our Compensation Programs

Our Compensation Committee believes that risks arising from our policies and practices for compensating employees are not reasonably likely to have a material adverse effect on us and do not encourage risk taking that is reasonably likely to have a material adverse effect on us. Our Compensation Committee believes that the structure of our executive compensation program mitigates risks by avoiding any named executive officer placing undue emphasis on any particular performance metric at the expense of other aspects of our business.

### Compensation Committee Report

The Compensation Committee has reviewed and discussed the Compensation Discussion and Analysis with the members of management of the Company and, based on such review and discussions, the Compensation Committee recommended to the Board of Directors that the Compensation Discussion and Analysis be included in this Proxy Statement.

The Compensation Committee:

/s/ David Sandberg  
David Sandberg (Chairman)

/s/ William H. Everett  
William H. Everett

## PROPOSAL 2

### ADVISORY VOTE ON EXECUTIVE COMPENSATION

The Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010, or the Dodd-Frank Act, enables our stockholders to approve, on an advisory basis, the compensation of our named executive officers as disclosed in this Proxy Statement in accordance with the SEC's rules. The proposal, commonly known as a "say on pay" proposal, gives our stockholders the opportunity to express their views on the Company's executive compensation. Because this is an advisory vote, this proposal is not binding upon the Company, our Board of Directors or the Compensation Committee; however, the Compensation Committee, which is responsible for designing and administering the Company's executive compensation program, values the opinions expressed by stockholders in their vote on this proposal. To the extent there is any significant vote against the compensation of our named executive officers as disclosed in this Proxy Statement, we will consider our stockholders' concerns and the Compensation Committee will evaluate whether any actions are necessary to address these concerns.

As described in detail under the heading "Compensation Discussion and Analysis," the goals of our compensation program are to ensure that executive compensation rewards management for helping us achieve our financial goals (increased sales, profitability, etc.) and meet our clinical trial milestones and aligns management's overall goals and objectives with those of our stockholders. To achieve these goals, our Compensation Committee and Board of Directors aims to:

- provide a competitive compensation package that enables us to attract and retain superior management personnel;

- relate compensation to our overall performance, the individual officer's performance and our assessment of the officer's future potential;

- reward our officers fairly for their role in our achievements; and

- align executives' objectives with the objectives of stockholders by granting equity awards to encourage executive stock ownership.

We are asking our stockholders to indicate their support for our named executive officer compensation program as described in this Proxy Statement in accordance with the compensation disclosure rules of the SEC. This vote is not intended to address any specific item of compensation, but rather the overall compensation of our named executive officers and the philosophy, policies and practices described in this Proxy Statement. Accordingly, we ask our stockholders to vote "FOR" the following resolution at the Annual Meeting:

"Resolved, that the stockholders approve, on an advisory basis, the compensation of the Company's named executive officers as disclosed in the Compensation Discussion and Analysis, the accompanying compensation tables, and the related narrative disclosure in the Company's Proxy Statement for the 2015 Annual Meeting."

#### Vote Required

The affirmative vote of the holders of a majority of the shares of our voting securities represented in person or by proxy at the Annual Meeting entitled to vote on such proposal that vote for or against such proposal is required to approve the advisory vote on executive compensation. This is a non-binding advisory vote.



THE BOARD OF DIRECTORS RECOMMENDS A VOTE FOR THE ADVISORY VOTE ON EXECUTIVE COMPENSATION DISCLOSED IN THE COMPENSATION DISCUSSION AND ANALYSIS, THE ACCOMPANYING COMPENSATION TABLES, AND THE RELATED NARRATIVE DISCLOSURE.

PROPOSAL 3

ADVISORY VOTE ON THE FREQUENCY OF AN ADVISORY VOTE ON EXECUTIVE COMPENSATION

The Dodd-Frank Act also provides that stockholders must be given the opportunity to vote, on a non-binding, advisory basis, for their preference as to how frequently we should seek future advisory votes on the compensation of our named executive officers as disclosed in accordance with the compensation disclosure rules of the SEC, which we refer to as an advisory vote on executive compensation. By voting with respect to this proposal, stockholders may indicate whether they would prefer that we conduct future advisory votes on executive compensation once every one, two, or three years. Stockholders also may, if they wish, abstain from casting a vote on this proposal.

The Board of Directors believes that a frequency of “every three years” for the advisory vote on executive compensation is the optimal interval for conducting and responding to a “say on pay” vote. In determining to recommend that stockholders vote for a frequency of once every three years, the Board considered how an advisory vote at this frequency will provide our stockholders with sufficient time to evaluate the effectiveness of our overall compensation philosophy, policies and practices in the context of our long-term business results for the corresponding period, while avoiding over-emphasis on short-term variations in compensation and business results. An advisory vote occurring once every three years will also permit our stockholders to observe and evaluate the impact of any changes to our executive compensation policies and practices that have occurred since the last advisory vote on executive compensation, including changes made in response to the outcome of a prior advisory vote on executive compensation. We will continue to engage with our stockholders regarding our executive compensation program during the period between advisory votes on executive compensation. Stockholders who have concerns about executive compensation during the interval between “say on pay” votes are welcome to bring their specific concerns to the attention of the Board of Directors. Please refer to “Corporate Governance—Communication with the Board of Directors” in this Proxy Statement for information about communicating with the Board.

Although this advisory vote on the frequency of the “say on pay” vote is non-binding, the Board of Directors and the Compensation Committee will take into account the outcome of the vote when considering the frequency of future advisory votes on executive compensation.

Vote Required

For the advisory vote on how frequently our stockholders should vote on the compensation of our named executive officers, the number of years (1, 2 or 3) that receives the highest number of votes will be deemed to be preferred by our stockholders. This is a non-binding advisory vote.

THE BOARD OF DIRECTORS RECOMMENDS A VOTE FOR THE OPTION OF “EVERY THREE YEARS” FOR FUTURE ADVISORY VOTES ON EXECUTIVE COMPENSATION.

## PROPOSAL 4

## RATIFICATION OF THE SELECTION OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

The Audit Committee of the Board of Directors has appointed the firm of Cherry Bekaert, LLP, independent registered public accounting firm, to audit and report on our financial statements for the year ending December 31, 2015. We have engaged Cherry Bekaert, LLP as our independent registered public accounting firm since June 2010. We expect that a representative of Cherry Bekaert, LLP will be present at the Annual Meeting of Stockholders to answer questions of stockholders and will have the opportunity, if desired, to make a statement.

For the years ended December 31, 2014 and 2013, Cherry Bekaert, LLP billed us the fees set forth below, including expenses, in connection with services rendered by that firm to us.

	Year Ended December 31,	
	2014	2013
Audit fees	\$ 90,165	\$ 89,569
Tax fees	\$	\$ 4,500
All other fees	\$ 30,285	\$ 50,173
Total fees	\$ 120,450	\$ 144,242

Audit fees include fees for services rendered for the audits of our annual financial statements and the reviews of the interim financial statements included in quarterly reports. This category also includes fees for review of documents filed with the SEC. Additionally, audit fees include services rendered for the audit of PrecisionIR Group, Inc. Inc.'s opening balances as of August 22, 2013, the date of acquisition.

The Audit Committee of the Board of Directors has considered whether the provision of services described above under "Audit-related fees" and "Other fees" is compatible with maintaining the independence of Cherry Bekaert, LLP, and has concluded that it is compatible.

## Ratification of Selection of Independent Auditors

The Audit Committee is directly responsible for the appointment, compensation, retention and oversight of the independent registered accounting firm retained to audit our financial statements. The Audit Committee has appointed Cherry Bekaert, LLP as our independent external auditor for the year ending December 31, 2015. Cherry Bekaert, LLP has served as our independent registered accounting firm continuously since June 2010. The Audit Committee is responsible for the audit fee negotiations associated with the retention of Cherry Bekaert, LLP. In order to assure continuing auditor independence, the Audit Committee periodically considers whether there should be a regular rotation of the independent registered accounting firm. Further, in conjunction with the rotation of the auditing firm's lead engagement partner, the Audit Committee and its chairperson will continue to be directly involved in the selection of Cherry Bekaert, LLP's new lead engagement partner. The members of the Audit Committee and the Board believe that the continued retention of Cherry Bekaert, LLP to serve as our independent external auditor is in the best interests of the Company and its stockholders.

Stockholder ratification of the selection of Cherry Bekaert, LLP as our independent registered public accounting firm is not required but is being presented as a matter of good corporate practice. Notwithstanding stockholder ratification of the appointment of the independent registered public accounting firm, the Audit Committee, in its discretion, may direct the appointment of a new independent registered public accounting firm if the Audit Committee believes that such a change would be in our best interests and the best interests of our stockholders. The Audit Committee has not determined what action it would take if the stockholders do not ratify the appointment, but may reconsider the

appointment.

#### Audit Committee Pre-Approval Policy

The Audit Committee's policy is that all audit and non-audit services provided by its independent registered public accounting firm shall either be approved before the independent registered public accounting firm is engaged for the particular services or shall be rendered pursuant to pre-approval procedures established by the Audit Committee. These services may include audit services and permissible audit-related services, tax services and other services. Pre-approval spending limits for audit services are established on an annual basis, detailed as to the particular service or category of services to be performed and implemented by our financial officers. Pre-approval spending limits for permissible non-audit services are established on a quarterly basis, detailed as to the particular service or category of services to be performed and implemented by our financial officers. Any audit or non-audit service fees that may be incurred by us during a quarter that fall outside the limits pre-approved by the Audit Committee for a particular service or category of services must be reviewed and approved by the Chairperson of the Audit Committee prior to the performance of services. On a quarterly basis, the Audit Committee reviews and itemizes all fees paid to its independent registered public accounting firm in the prior quarter (including fees approved by the Chairperson of the Audit Committee between regularly scheduled meetings and fees approved by our financial officers pursuant to the pre-approval policies described above) and further reviews and itemizes all fees expected to be paid in the upcoming quarter. The Audit Committee may revise its pre-approval spending limits and policies at any time. None of the fees paid to the independent registered public accounting firm were approved by the Audit Committee after the services were rendered pursuant to the "de minimis" exception established by the SEC for the provision of non-audit services.

THE BOARD OF DIRECTORS RECOMMENDS A VOTE "FOR" THE RATIFICATION OF THE APPOINTMENT  
OF  
CHERRY, BEKAERT LLP. AS THE INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM.

## REPORT OF THE AUDIT COMMITTEE

On October 23, 2013 the Company established an Audit Committee of the Board of Directors. The Audit Committee consists of two members, Messrs. Everett and Boisvert. All the members are independent directors under the NYSE and SEC Audit Committee structure and membership requirements. The Audit committee has certain duties and powers as described in its written charter, a copy of which can be found on the company's website at <http://www.issuerdirect.com/home/factors-affecting-corporate-governance>.

The Audit Committee has reviewed and discussed the Company's audited financial statements and related footnotes for the fiscal year ended December 31, 2014, and the independent auditor's report on those financial statements, with management and with our independent auditor, Cherry Bekaert LLP ("Cherry Bekaert"). The Audit Committee has also discussed with Cherry Bekaert the matters required to be discussed by the statement on Auditing Standard No. 16, "Communications with Audit Committees" issued by the Public Company Accounting Oversight Board. The Audit Committee has also received the written disclosures and the letter from Cherry Bekaert required by applicable requirements of the Public Company Accounting Oversight Board regarding Cherry Bekaert's communications with the Audit Committee concerning independence, and has discussed with Cherry Bekaert that firm's independence.

Based on the review and the discussions referred to in the preceding paragraph, the Audit Committee determined that the Company's audited financial statements be included in the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2014 that was filed with the SEC.

The Audit Committee:

/s/ William H. Everett  
William H. Everett (Chairman)

/s/ Andre M. Boisvert  
Andre M. Boisvert

## CERTAIN RELATIONSHIPS AND RELATED PARTY TRANSACTIONS AND DIRECTOR INDEPENDENCE

### Related Party Transactions

On August 22, 2013, the Company entered into a 8% Note Purchase Agreement relating to the sale of \$2,500,000 aggregate principal amount of the Company's 8% Note with Red Oak. Beginning immediately upon the date of issuance, Red Oak or its assigns may convert the 8% Note into shares of the Company's common stock at a conversion price of \$3.99 per share for up to a potential of 626,566 of our shares of common stock. David Sandberg, one of our directors, is the managing partner of Red Oak. On November 12, 2014, Red Oak converted \$833,327 of principal and \$23,369 of accrued interest payable on the 8% Note into 214,710 shares of the Company's common stock at the conversion price of \$3.99. Following this transaction, the principal balance of the note was \$1,666,673, which can be converted into 417,712 shares of the Company's common stock.

### Director Independence

As of April 13, 2015, we had four independent directors on our Board, Andre M. Boisvert, William H. Everett, J. Patrick Galleher and David Sandberg. We evaluate independence by the standards for director independence established by applicable laws, rules, and listing standards including, without limitation, the standards for independent directors established by The New York Stock Exchange, Inc. and the Securities and Exchange Commission.

Subject to some exceptions, these standards generally provide that a director will not be independent if (a) the director is, or in the past three years has been, an employee of ours; (b) a member of the director's immediate family is, or in the past three years has been, an executive officer of ours; (c) the director or a member of the director's immediate family has received more than \$120,000 per year in direct compensation from us other than for service as a director (or for a family member, as a non-executive employee); (d) the director or a member of the director's immediate family is, or in the past three years has been, employed in a professional capacity by our independent public accountants, or has worked for such firm in any capacity on our audit; (e) the director or a member of the director's immediate family is, or in the past three years has been, employed as an executive officer of a company where one of our executive officers serves on the Compensation Committee; or (f) the director or a member of the director's immediate family is an executive officer of a company that makes payments to, or receives payments from, us in an amount which, in any twelve-month period during the past three years, exceeds the greater of \$1,000,000 or two percent of that other company's consolidated gross revenues.

## OTHER MATTERS

We know of no other matters to be submitted at the meeting. If any other matters properly come before the meeting, it is the intention of the persons named in the enclosed proxy card to vote the shares they represent as the Board of Directors may recommend.

## ADDITIONAL INFORMATION

A copy of our 2014 Annual Report on Form 10-K is available to each stockholder in connection with this Proxy Statement. The 2014 Annual Report on Form 10-K is not a part of the proxy solicitation materials.

We file reports and other information with the SEC. Copies of these documents may be obtained at the SEC's Public Reference Room at 100 F Street, N.E., Washington, D.C. 20549. The public may also obtain information on the operation of the Public Reference Room by calling the SEC at (800) SEC-0330. Our SEC filings are also available on the SEC's website at <http://www.sec.gov>.



ISSUER DIRECT CORPORATION  
THIS PROXY IS SOLICITED ON BEHALF OF  
THE BOARD OF DIRECTORS  
ANNUAL MEETING OF STOCKHOLDERS –  
FRIDAY JUNE 12, 2015, AT 9:00 AM EDT

CONTROL ID:  
REQUEST ID:

The undersigned, a stockholder of Issuer Direct Corporation (the “Company”), hereby revoking any proxy heretofore given, does hereby appoint Jeffrey Quick proxy, with power of substitution, for and in the name of the undersigned to attend the 2015 annual meeting of stockholders of the Company to be held at the Four Points by Sheraton, 1200 Claren Circle Morrisville, NC 27560, on Friday, June 12, 2015 beginning at 9:00 AM, local time, or at any adjournment or postponement thereof, and there to vote, as designated below.

(CONTINUED AND TO BE SIGNED ON  
REVERSE SIDE.)

VOTING INSTRUCTIONS

If you vote by phone, fax or internet, please DO  
NOT mail your proxy card.

MAIL: Please mark, sign, date, and  
return this Proxy Card  
promptly using the enclosed  
envelope.

FAX: Complete the reverse portion  
of this Proxy Card and Fax to  
202-521-3464.

INTERNET: <https://www.iproxydirect.com/ISDR>

PHONE: 1-866-752-VOTE (8683)





ANNUAL MEETING OF THE STOCKHOLDERS  
OF  
ISSUER DIRECT CORPORATION

PLEASE COMPLETE, DATE, SIGN AND RETURN  
PROMPTLY IN THE ENCLOSED ENVELOPE.  
PLEASE MARK YOUR VOTE IN BLUE OR BLACK INK AS  
SHOWN HERE: ý

PROXY SOLICITED ON BEHALF OF THE  
BOARD OF DIRECTORS

Proposal 1	à	FOR ALL	AGAINST ALL	FOR ALL EXCEPT	
To elect the five (5) directors nominated by our Board of Directors as set forth in the Proxy Statement		..	..		
Andre M. Boisvert	Chairman of the Board, Member of the Audit Committee			..	
William H. Everett	Director, Chairman of the Audit Committee, Member of Compensation Committee			..	CONTROL ID:
David Sandberg	Director, Chairman of the Compensation Committee			..	REQUEST ID:
J. Patrick Galleher	Director			..	
Brian R. Balbirnie	Director, Chief Executive Officer			..	
 Proposal 2	à	FOR	AGAINST	ABSTAIN	
An advisory vote on executive compensation as disclosed in this Proxy Statement;		..	..	..	
 Proposal 3	à	3 YEARS	2 YEARS	1 YEAR	ABSTAIN
An advisory vote on whether an advisory vote on executive compensation should be held every one, two, or three years;		..	..	..	o
 Proposal 4	à	FOR	AGAINST	ABSTAIN	
To ratify the appointment by the Audit Committee of the Board of Directors of Cherry Bekaert, LLP		..	..	..	

as our independent registered  
public accounting firm for the year  
ending December 31, 2015

MARK "X" HERE IF YOU PLAN TO ATTEND  
THE MEETING: "

MARK HERE FOR ADDRESS CHANGE " New  
Address (if applicable):

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**IMPORTANT:** Please sign exactly as your name or names appear on this Proxy. When shares are held jointly, each holder should sign. When signing as executor, administrator, attorney, trustee or guardian, please give full title as such. If the signer is a corporation, please sign full corporate name by duly authorized officer, giving full title as such. If signer is a partnership, please sign in partnership name by authorized person.

Dated: \_\_\_\_\_, 2015

(Print Name of Stockholder and/or Joint Tenant)

(Signature of Stockholder)

(Second Signature if held jointly)

---