

UNITED BANCORP INC /OH/
Form DEF 14A
March 30, 2009

SCHEDULE 14A
INFORMATION REQUIRED IN PROXY STATEMENT
SCHEDULE 14A INFORMATION
Proxy Statement Pursuant to Section 14(a) of the Securities
Exchange Act of 1934

Filed by the registrant

Filed by a party other than the registrant

Check the appropriate box:

- Preliminary proxy statement.
- Confidential, for use of the Commission only (as permitted by Rule 14a-6(e)(2)).
- Definitive proxy statement.
- Definitive additional materials.
- Soliciting materials pursuant to Rule 14a-11(c) or Rule 14a-12.

UNITED BANCORP, INC.

(Name of Registrant as Specified in Its Charter)

(Name of Person(s) Filing Proxy Statement, if Other Than the Registrant)

Payment of filing fee (check appropriate box):

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 - (1) Title of each class of security to which transaction applies:
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- (1) Amount Previously Paid:
- (2) Form, Schedule or Registration Statement No.:
- (3) Filing Party:

(4) Date Filed:

United Bancorp, Inc.
201 S. Fourth
Martins Ferry, Ohio 43935

March 23, 2009

To Our Shareholders:

You are cordially invited to attend the Annual Meeting of the Shareholders to be held on Wednesday April 15, 2009, at 2:00 p.m. local time, at The Citizens Savings Bank's main office, 201 South Fourth Street, Martins Ferry, Ohio.

The Annual Certified Audit of United Bancorp, Inc. is enclosed for your review prior to attending our Annual Meeting.

Payment of our regular first quarter cash dividend was made by separate mailing on March 20h. Whether or not you received your dividend check in a separate mailing is dependent upon your level of participation in our Dividend Reinvestment Plan, Direct Deposit Program or whether your stock is being held for you in a broker name. No payment has been included with this mailing of our proxy materials.

It is important that your shares are voted, and we hope that you will attend the Annual Meeting. Please vote by executing and returning the enclosed form of Proxy or follow the instructions to vote electronically on the Internet or by phone.

Very truly yours,

/s/ James W. Everson

James W. Everson
Chairman, President and Chief Executive Officer

Enclosures

UNITED BANCORP, INC.

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS
TO BE HELD APRIL 15, 2009

To The Shareholders of
United Bancorp, Inc. March 23, 2009

The Annual Meeting of Shareholders of United Bancorp, Inc. will be held at 201 South 4th, Martins Ferry, Ohio, April 15, 2009, at 2:00 p.m. local time for the purpose of considering and voting upon the following matters as more fully described in the Proxy Statement.

Proposals:

1. Election of Directors - To elect SEVEN directors.
2. Other Business - To transact any other business which may properly come before the meeting or any adjournment of it.

Shareholders of record at the close of business on March 6, 2009 will be entitled to vote the number of shares held of record in their names on that date.

We urge you to sign and return the enclosed proxy as promptly as possible or vote via the phone or Internet, whether or not you plan to attend the meeting in person. This proxy may be revoked prior to its exercise.

By Order of the Board of Directors

/s/Randall M. Greenwood

Randall M. Greenwood
Secretary

IMPORTANT NOTICE REGARDING THE AVAILABILITY OF PROXY MATERIALS FOR THE MEETING OF SHAREHOLDERS TO BE HELD ON APRIL 15, 2009

The proxy statement and form of proxy being issued in connection with the 2009 Annual Meeting of Shareholders and the Company's 2008 Annual Report to Shareholders are available at www.amstock.com/ProxyServices/ViewMaterials.asp.

Your vote is important. Please mark, sign, date and mail the enclosed proxy form(s) whether or not you plan to attend the Annual Meeting. A return envelope is enclosed for your convenience. In addition, you may also submit your proxy electronically, either by telephone or via the Internet. To do so, dial 1-800-Proxies or visit www.voteproxy.com and follow the simple instructions. No information is required to submit your proxy electronically other than the Company Number and Account Number shown on the proxy card delivered with these proxy materials.

Please contact Randall M. Greenwood, Corporate Secretary, at 740-633-0445, ext 6181, if you would like information on how to obtain directions to be able to attend the meeting and vote in person

UNITED BANCORP, INC.
201 SOUTH 4TH STREET
MARTINS FERRY, OHIO 43935

PROXY STATEMENT FOR ANNUAL MEETING OF
SHAREHOLDERS TO BE HELD APRIL 15, 2009

INTRODUCTION

This Proxy Statement is being furnished to shareholders of United Bancorp, Inc. (“United Bancorp” or the “Corporation”) in connection with the solicitation of proxies by the Board of Directors of the Corporation to be used at the Annual Meeting of Shareholders, and any adjournment thereof, to be held at the time and place set forth in the accompanying notice (“Annual Meeting”). This Proxy Statement and the enclosed proxy are first being sent to shareholders on or about March 23, 2009.

At the Annual Meeting, shareholders of the Corporation will be asked to:

- Elect seven nominees to the Corporation’s Board of Directors.

Voting and Revocation of Proxies

Just indicate on the enclosed proxy card how you want to vote, and sign, date and return it as soon as possible in the enclosed envelope or submit a proxy over the Internet or by telephone by following the instructions on the enclosed proxy card. Where properly executed proxy cards are returned but no such instructions are given, the shares will be voted “For” the election to the Board of Directors of each of the persons nominated by the Board of Directors of the Corporation.

The presence of a shareholder at the Annual Meeting will not automatically revoke such shareholder’s proxy. However, shareholders may revoke a proxy at any time prior to its exercise by filing with the Secretary of the Corporation a written notice of revocation, by delivering to the Corporation a duly executed proxy bearing a later date, or by attending the Annual Meeting and voting in person. Written notices of revoked proxies may be directed to Randall M. Greenwood, Secretary, 201 South 4th Street, Martins Ferry, Ohio 43935.

Solicitation of Proxies

The cost of soliciting proxies will be borne by the Corporation. In addition to the solicitation of proxies by mail, the Corporation, through its directors, officers and regular employees, may also solicit proxies personally or by telephone, e-mail or telecopy without additional compensation. The Corporation will also request persons, firms and corporations holding shares in their names or in the name of their nominees, which are beneficially owned by others, to send proxy material to and obtain proxies from the beneficial owners and will reimburse the holders for their reasonable expenses in doing so.

MEETING INFORMATION

Date, Place and Time

The Annual Meeting of Shareholders of the Corporation will be held on Wednesday, April 15, 2009, at 2:00 p.m., local time, at The Citizens Savings Bank, 201 South 4th Street, Martins Ferry, Ohio.

Record Date, Voting Rights

Only the Corporation's common shares can be voted at the Annual Meeting. Each share entitles its owner to one vote on all matters.

The close of business on March 6, 2009 (the "Record Date"), has been fixed as the record date for the determination of shareholders entitled to vote at the Annual Meeting. There were approximately 2,000 shareholders (including both record holders and beneficial owners holding their shares in street name) of the Corporation's common shares and 5,025,862 of the Corporation's common shares outstanding as of the Record Date.

The presence in person or by proxy of a majority of the outstanding common shares of the Corporation entitled to vote at the meeting constitutes a quorum at the Annual Meeting. Abstentions and broker non-votes will be counted for purposes of determining the presence of a quorum.

OWNERSHIP OF VOTING SHARES

As of the Record Date, the following entity was the only shareholder known to the Corporation to be the beneficial owner of more than 5% of the Corporation's outstanding common shares:

Person	Shares of Common Stock Owned	Percent of Class
United Bancorp, Inc. Employee Stock Ownership Plan (1) 201 South Fourth Street, Martins Ferry, OH 43935	348,385	6.9%

1. Under the terms of the ESOP, the ESOP trustee will vote shares allocated to participants' accounts in the manner directed by the participants. As a general matter, the ESOP trustee is required to vote unallocated shares in the same manner as the trustee has been directed to vote allocated shares by participants holding a majority of the allocated shares voted in connection with the meeting. As of the Record Date, 64,750 shares had been allocated to participants' accounts and 283,635 shares remain unallocated under the ESOP.

The following table sets forth the beneficial ownership of the Corporation's common shares by each of the Corporation's directors and the Corporation's named executive officers, and the directors and executive officers as a group, as of December 31, 2008.

Name of Beneficial Owner	Common Shares	
	Owned(1)	Percent of Class
Michael J. Arciello	14,085	*
James W. Everson (2)	206,153	4.1%
John M. Hoopingarner	6,697	*
Terry A. McGhee	23,335	*
Samuel J. Jones	19,289	*
Richard L. Riesbeck (3)	29,358	*
Matthew C. Thomas	43,053	*
Scott A. Everson	15,268	*
Randall M. Greenwood	12,003	*
James A. Lodes	14,679	*
		*
All Directors and Executive Officers as a Group (19 in group)	472,678	9.4%

* Ownership is less than 1% of the class.

1. Except as otherwise noted, none of the named individuals shares with another person either voting or investment power as to the shares reported.

2. Includes 70,607 shares subject to shared voting and investment power.

3. Includes 17,651 shares subject to shared voting and investment power.

In the aggregate, shares beneficially owned by all insiders of the Corporation (as reflected in the table above) and all other employees through the Corporation's 401(k) and ESOP employee benefit plans, totaled 869,126 Shares, or 17.3% of all outstanding shares of the Corporation, as of December 31, 2008.

PROPOSAL # 1 ELECTION OF DIRECTORS

Pursuant to action taken at last year's Annual Meeting of Shareholders, the Corporation's Code of Regulations (specifically, section 8 thereof) was amended to eliminate the classified structure of the Corporation's Board of Directors. As a consequence of that action, all current members of the Board of Directors have been nominated to stand for re-election at this year's Annual Meeting. Those members elected at last year's Annual Meeting, including Messrs. Arciello, McGhee, and Jones, are currently serving a 2 year term in accordance with the provisions of the Code of Regulations in effect at the time of their election. These Directors have agreed to tender their resignations from the Board (with respect to their current term only) so that they may stand for re-election at this year's Annual Meeting. Such resignations will be accepted on behalf of the Corporation immediately prior to the vote taken for the election of Directors at this year's Annual Meeting. There will be no requirement to accept any resignations prior to the election of Directors at next year's Annual Meeting.

Nominees

The nominees for election at the Annual Meeting are Michael J. Arciello, James W. Everson, John M. Hoopingarner, Samuel J. Jones, Terry A. McGhee, Richard L. Riesbeck and Matthew C. Thomas each of whom is currently a director of the Corporation. If elected, these directors will serve a one-year term expiring in 2010. The following

table sets forth-certain information with respect to the nominees. There were no arrangements or understandings pursuant to which the persons listed below were selected as directors or nominees for director.

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Name	Age	Principal Occupation for Past Five Years	Positions and Offices Held with United Bancorp	Director Since
M i c h a e l J . Arciello	74	Retired Vice President Finance, Nickles Bakeries, Inc.	Director	1992
James W. Everson	70	Chairman, President and Chief Executive Officer, United Bancorp; Chairman and Chief Executive Officer, The Citizens Savings Bank* until Nov. 1, 2004. Chairman, The Community Bank *	Director, Chairman, President and Chief Executive Officer, United Bancorp; Director, Chairman, The Citizens Savings Bank.	1983
John M. Hoopingarner	54	Executive Director, Muskingum Watershed Conservancy District	Director	1992
Samuel J. Jones	68	Business Owner, Athletic Club	Director	2007
Terry A. McGhee	59	President and Chief Executive Officer, Westerman, Inc., a manufacturing company	Director	2001
Richard L. Riesbeck	59	President, Riesbeck Food Market, Inc., a regional grocery store chain	Director	1984
Matthew C. Thomas	52	President, M. C. Thomas Insurance Agency, Inc.	Director	1988

* Subsidiaries of United Bancorp, The Community Bank was merged with and into The Citizens Savings Bank effective July 1, 2007.

There were no agreements or understandings pursuant to which any of the persons listed above were selected as a director. Mr. James W. Everson, Director, Chairman, President and Chief Executive Officer of the Corporation, is the father of Mr. Scott A. Everson, Senior Vice President & Chief Operating Officer of the Corporation.

The Board of Directors of United Bancorp met 4 times in 2008. In 2008, each director attended at least 75% of the combined total of meetings of the Board of Directors and meetings of each committee on which such director served.

Vote Required to Elect Nominees

Directors are elected by a plurality of the vote. Consequently, the seven nominees for director who receive the largest number of votes cast "For" will be elected as directors. Shares represented at the Annual Meeting in person or by proxy but withheld or otherwise not cast for the election of directors will have no impact on the outcome of the election of directors. Where properly executed proxy cards are returned but no such instructions are given, the shares will be voted "For" the election to the Board of Directors of the persons nominated by the Board of Directors of the Corporation.

**THE BOARD OF DIRECTORS RECOMMENDS A VOTE "FOR"
EACH THE NOMINEES FOR ELECTION TO THE BOARD OF DIRECTORS**

DIRECTOR INDEPENDENCE AND RELATED PARTY TRANSACTIONS

The Board of Directors has determined that all Directors have met the independence standards of Rule 4200(a)(15) of the National Association of Securities Dealers listing standards with the exception of James W. Everson, who is the Chief Executive Officer of the Corporation. Directors deemed independent by the Board of Directors include Michael J. Arciello, John M. Hoopingarner, Terry A. McGhee, Samuel J. Jones, Richard L. Riesbeck and Matthew C. Thomas. In making its determination regarding the independence of all directors and nominees for director, the Nominating and Governance Committee and the Board of Directors reviewed and the board considered the following related party transaction.

Director Riesbeck: On April 1, 1998, United Bancorp, through its subsidiary, The Citizens Savings Bank, entered into a lease agreement with Riesbeck Food Markets, Inc. for space used as an in-store banking location in St. Clairsville, Ohio. Pursuant to the terms of the lease, the Corporation paid Riesbeck Food Markets, Inc. \$30,000 in 2008. Over the current 5-year fixed term of the lease, which began on April 1, 2007 and is set to expire on April 1, 2012, lease payments will total approximately \$150,000. Mr. Riesbeck is an officer, director and shareholder of Riesbeck Food Markets, Inc. Management believes the lease between Riesbeck Food Markets, Inc. and the Corporation was made on an arms-length basis. Management employed a third party consulting firm that specializes in grocery store banking facilities to establish the terms of the lease.

In addition, United Bancorp has engaged and intends to continue to engage in the lending of money through its subsidiary bank to several of its Directors, executive officers and corporations or other entities in which they may own a controlling interest. The loans to such persons (i) were made in the ordinary course of business, (ii) were made on substantially the same terms, including interest rates and collateral, as those prevailing at the time for comparable transactions with other persons, and (iii) did not involve more than a normal risk of collectibility or present other unfavorable features.

Except for the specific transactions described above no director, executive officer or beneficial owner of more than five percent of the Corporation's outstanding voting securities (or any member of their immediate families) engaged in any transaction with the Corporation during 2008 in which the amount involved exceeded \$120,000. It is, however, customary and routine for directors, officers and employees of community banks and their spouses, family members and associates to do business with their community bank. Such a relationship, including routine banking business, is viewed as beneficial to the Corporation and is encouraged, so long as such relationships are fair and reasonable to the Corporation and are entered into upon terms and conditions generally available to the public, or similar to that which could be obtained from an independent third party. In that regard, pursuant to the Corporation's Code of Ethics and Business Conduct, United Bancorp may do business and have financial dealings with directors, officers and employees and their respective spouses, family members and associates provided either of the following criteria are satisfied:

- Such business or financial dealings involve United Bancorp's subsidiary bank or any other financial services subsidiary providing banking or financial services to such person in the ordinary course of business upon terms and conditions generally available to the public, to the extent such arrangements are made in compliance with all applicable banking and securities laws and regulations; or
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- The terms and conditions of such relationship have been presented to and approved by the Audit Committee of United Bancorp's Board of Directors, including any "related party transaction" requiring disclosure in United Bancorp's annual meeting proxy statement. In the event any member of the Audit Committee, any entity controlled by such member, or any associate or family member of such member, proposes to provide products or services to the Corporation, such member must recuse him or herself from the discussion and decision about the appropriateness of such arrangement.

CORPORATE GOVERNANCE AND COMMITTEES OF THE BOARD

The Board of Directors has adopted both the United Bancorp, Inc. Corporate Governance Guidelines and the United Bancorp, Inc. Code of Ethics and Business Conduct, both of which may be found on United Bancorp's website at www.unitedbancorp.com. The Board of Directors of United Bancorp has standing Executive, Audit, Compensation, and Nominating and Governance Committees. The Audit Committee has been established in accordance with section 3(a)(58)(A) of the Exchange Act. The membership and general function of these committees are noted below.

Executive Committee. Mr. James W. Everson, Chairman, and Messrs. Hoopingarner, McGhee and Riesbeck are the members of the Corporation's Executive Committee. The Executive Committee met 4 times during 2008. The functions of this committee are to act in the stead of the board between meetings, to receive formal vendor presentations and to review with management and set the agenda for each board meeting. The Executive Committee members also serve as advisory trustees to the Corporation's defined benefit pension plan and as trustees to the Corporation's 401(k) and ESOP plans.

Audit Committee. Mr. Arciello, Chairman, and Messrs. McGhee and Riesbeck are the members of the Audit Committee. The Audit Committee met 4 times during 2008. The functions of this Committee include the engagement of independent auditors, reviewing with those independent auditors the plans and results of the audit engagement of the Corporation, approving the annual audit plan and reviewing the results of the procedures for internal auditing, reviewing the independence of the independent auditors, reviewing the Corporation's financial results and Securities and Exchange Commission filings, reviewing the effectiveness of the Corporation's internal controls and similar functions and approving all auditing and non-auditing services performed by its independent auditors. The Board of Directors has adopted a written charter for the Audit Committee which may be found on the Corporation's website at www.unitedbancorp.com. All members of the Audit Committee meet the independence standards of Rule 4200(a)(15) and the audit committee qualifications of Rule 4350(d)(2) of the National Association of Securities Dealers listing standards. The Board of Directors has determined that Michael J. Arciello is an audit committee financial expert for the Corporation and is independent as described in the preceding sentence. T