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

DIVISION OF
CORPORATION FINANCE

January 19, 2024

Christian Gonzalez
Dinsmore & Shohl LLP

Re: LCNB Corp. (the "Company")
Incoming letter dated January 18, 2024

Dear Christian Gonzalez:

This letter is in regard to your correspondence concerning the shareholder proposal (the "Proposal") submitted to the Company by Philip Timyan (the "Proponent") for inclusion in the Company's proxy materials for its upcoming annual meeting of security holders. Your letter indicates that the Proponent has withdrawn the Proposal and that the Company therefore withdraws its December 29, 2023 request for a no-action letter from the Division. Because the matter is now moot, we will have no further comment.

Copies of all of the correspondence related to this matter will be made available on our website at https://www.sec.gov/corpfin/2023-2024-shareholder-proposals-no-action.

Sincerely,

Rule 14a-8 Review Team

cc: Philip Timyan

Dinsmore

Legal Counsel.

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December 29, 2023

U.S. Securities and Exchange Commission
Office of Chief Counsel
Division of Corporation Finance
100 F. Street, N.E.
Washington, D.C. 20549
Via Shareholder Proposal Intake System

Re: LCNB Corp. 2024 Annual Meeting

Omission of Shareholder Proposal Submitted by Philip Timyan

Ladies and Gentlemen:

LCNB Corp. (the "Company"), along with its board of directors (the "Board") respectfully requests that the Staff of the Division of Corporation Finance (the "Staff") of the U.S. Securities and Exchange Commission (the "Commission") will not recommend enforcement action to be taken if the Company omits the enclosed shareholder proposal, including the accompanying supporting statement (the "Proposal") submitted by Philip Timyan (the "Proponent") from the proxy materials that the Company intends to distribute in connection with the Company's 2024 annual meeting of shareholders (the "2024 Proxy Materials") in reliance on Rule 14a-8 promulgated under the Securities Exchange Act of 1934, as amended (the "Exchange Act").

The Company intends to file the definitive 2024 Proxy Materials with the Commission on or about March 22, 2024. In accordance with Rule 14a-8(j)(1), this letter is being submitted not later than 80 calendar days before the Company intends to file the definitive 2024 Proxy Materials.

A copy of this letter and its exhibit are being sent concurrently to the Proponent as notice of the Company's intent to omit the Proposal from the 2024 Proxy Materials. Accordingly, we are taking this opportunity to inform the Proponent that, if the Proponent elects to submit additional correspondence to the Commission with respect to the Proposal, a copy of that correspondence should be furnished concurrently to the undersigned on behalf of the Company pursuant to Rule 14a-8(k).

I. The Proposal

The Proposal requests the inclusion of the following resolution in the 2024 Proxy Materials:

> "Stockholder Proposal Recommending the Sale or Merger of LCNB Bancorp
>
> RESOLVED, that the Stockholders of LCNB Corp recommend that the Board of Directors immediately engage an investment banking firm experienced in community bank mergers and acquisitions to guide the Company in promptly taking steps to merge or sell LCNB on terms that will maximize stockholder value."

The Proposal was submitted to the Company on November 15, 2023 via letter dated November 9, 2023. A copy of the Proposal, the supporting statement (the "Supporting Statement") and all related correspondence with the Proponent is attached as Exhibit A to this letter.

II. Bases For Exclusion

As discussed in detail below, the Company believes it may properly exclude the Proposal from the 2024 Proxy Materials pursuant to:

- Rule 14a-8(i)(10) because the Company has already substantially implemented the Proposal through both its ongoing merger activity and engagement of an investment banking firm;
- Rule 14a-8(i)(2) because the proposal, if fully implemented, would cause the Company to violate Ohio law; and
- Rule 14a-8(i)(3) because the Proposal constitutes a violation of the proxy rules, including 240.14a-9, because it is both materially false and misleading in a way that could confuse shareholders as well as being vague and indefinite.

III. Additional Background

Beginning in 2019, the Company retained ProBank Austin, which was an investment banking firm experienced in community bank mergers, to engage in annual strategic planning sessions. While the sessions covered a variety of topics, each session contained a portion on mergers and acquisitions strategy of the Company consistent with its long-term strategy of organic growth and growth through acquisition by merger.

Janney Montgomery Scott LLC ("Janney") is an investment banking firm experienced in the mergers and acquisitions of community banks. The Company engaged Janney on January 24, 2023 to provide financial advisory services in connection with its proposed acquisition by merger of Cincinnati Bancorp, Inc. ("Cincinnati Bancorp"). On May 17, 2023, the Company entered into an Agreement and Plan of Merger with Cincinnati Bancorp, pursuant to which Cincinnati Bancorp and its wholly-owned subsidiary, Cincinnati Federal, would merge with and into the Company and LCNB National Bank. On November 1, 2023, the Company completed the merger. Upon the closing of the merger, the Company was estimated to have consolidated assets of approximately

$2.3 billion. This transaction also allowed LCNB National Bank, consistent with its mergers and acquisition strategy, to expand further in Cincinnati, Ohio and into the Northern Kentucky markets.

On May 26, 2023, the Company separately engaged Hovde Group, LLC ("Hovde"), which consistently ranks among the bank sector's top mergers and acquisitions and capital market advisory firms, to provide financial advisory services in connection with its proposed acquisition by merger of Eagle Financial Bancorp, Inc. ("Eagle"). On November 28, 2023, subsequent to the submission of the Proponent's Proposal, the Company entered into an Agreement and Plan of Merger with Eagle, the parent company of EAGLE.bank. Pursuant to the terms and conditions of the agreement, the Company and LCNB National Bank will survive the merger. Upon the closing of the merger, which is estimated to occur in the second quarter of 2024, the Company is estimated to have consolidated assets of approximately $2.5 billion. This merger, upon completion, will further strengthen LCNB's position in the greater-Cincinnati area.

Additionally, following the receipt of the proposal, in December 2023, the Company engaged Hovde to begin evaluation of the potential outcome of a sale or merger on terms that will maximize shareholder value.

IV. The Proposal Has Already Been Substantially Implemented

Rule 14a-8(i)(10) under the Exchange Act permits a company to exclude a proposal and supporting statement from its proxy materials if that company has already substantially implemented the proposal. In the present instance, the Proposal recommends that the Company "immediately engage an investment banking firm experienced in community bank mergers and acquisitions to guide the Company in promptly taking steps to merge or sell LCNB on terms that will maximize stockholder value." The proposal, though unclear, seems to make two arguments: (i) an investment banking firm should be retained; and (ii) the "Company" should merge or sell "LCNB" on terms that will maximize stockholder value. The Commission has noted that, in order to substantially implement a proposal, the company must satisfactorily address the proposal's underlying concerns and its "essential objective." *See, e.g., Quest Diagnostics* (avail. Mar. 17, 2016); *Exelon Corp.* (avail. Feb. 26, 2010); *Exxon Mobil Corp.* (avail. Mar. 23, 2009). The Commission has, on several occasions, concurred that a proposal is either moot or has been substantially implemented where the company has already taken the specific steps called for by the proposal. *See, e.g.*, *DBA Systems, Inc.* (avail. Sept. 4, 1997), *Longview Fibre Company* (avail. Oct. 21, 1999). Where a company's "particular policies, practices and procedures compare favorably with the guidelines of the proposal," *Texaco, Inc.* (avail. Mar. 28, 1991), such proposal may be deemed specifically implemented by the Commission, even where the company's actions do not go so far as those requested by the shareholder proposal, but "compare favorably" with the requested actions. *See, e.g., Advance Auto Parts, Inc.* (avail. April 9, 2019) (the company was permitted to exclude the proposal under Rule 14a-8(i)(10) because it "compared favorably with the guidelines of the [p]roposal" although the company's disclosures did not perfectly align with the SASB R&D standards and instead met the "essential objectives" of the desired standards). Rule 14a-8 is not intended to remove the Board's discretion with regard to how to take action, and provided that the Board has already addressed the proposal's underlying concerns and essential objective, the proposal should be excluded from the proxy statement.

In the present case, the Company has substantially implemented the actions requested by the Proposal, and therefore addressed the proposal's underlying concerns and essential objective, in two ways: (a) by hiring Hovde in response to the Proposal; and (b) by engaging in merger transactions, one of which was not publicly announced until after the Proposal was received. Based on the foregoing, it is evident that the Proposal has already been substantially implemented and that no purpose would be served by its inclusion in the Company's 2024 Proxy Materials.

To the extent that the Company does not fully implement the language of the Proposal, the incomplete implementation may be explained by the Company's refusal to strip the Board of its fiduciary duties and violate Ohio law, as explained in Section V of this response.

a. *The Company Has Engaged Hovde in Connection with the Proposal*

As detailed in Section III above, in December 2023, the Company engaged Hovde to evaluate merger or sale transactions to maximize shareholder value. As a part of its evaluation, Hovde will develop and analyze peers, advise the Company of current banking industry and economic conditions, advise the company of current equity, merger and acquisition, and capital market conditions, and evaluation of the potential of a merger or sale transaction to maximize shareholder value in comparison to LCNB's ongoing strategic plan. The Company has engaged Hovde for an indefinite period of time while Hovde conducts its evaluations, and, currently, the Company has no intention to terminate Hovde's services. The Proponent did not request the adoption by the Board of any other specific course of action and, therefore, the Proposal has been substantially implemented.

Where a proposal requests that a company engage investment advisors to perform certain services for the company, the engagement of such advisors and steps to implement the essential purpose of the proposal is sufficient to permit exclusion under Rule 14a-8(10). *InvenTrust Properties Corp.* (avail. Feb. 7, 2020) (the Commission concurred with the exclusion of a shareholder proposal requesting that the company's board engage investment advisors to create a plan to provide shareholders with full liquidity for their shares, including outright sale of the company or its assets, where the company had previously engaged investment advisors to explore opportunities for investors to receive full liquidity for their shares); *Financial Industries Corp.* (avail. Mar. 28, 2003) (where a proposal was permitted to be excluded after the company appointed a committee of independent directors and hired an investment banking firm to evaluate strategic alternatives to enhance company value following receipt of a proposal requesting the board appoint a strategic development committee and engage an investment banking firm experienced in insurance company mergers and acquisitions).

Here, the Company has engaged Hovde specifically for the purpose of evaluating the transactions addressed in the Proposal. Where the company in *Longview Fibre Co.* (referenced above) modified its ongoing engagement with its investment advisor to contain specific provision of a shareholder proposal after receiving the proposal, which, in and of itself, was sufficient to warrant the exclusion of the underlying shareholder proposal, in the present instance, the Company *specifically* entered the December 2023 engagement with Hovde for the purposes of evaluating the transactions contemplated in the Proposal.

The first steps toward implementing the Proposal are careful and diligent analysis of the market and how to best serve shareholders. While the Proposal states that the sole purpose of such engagement is to "maximize shareholder value," there are both long-term and short-term views on how to best maximize shareholder value, and it is up to the Board within the confines of their fiduciary duties and as advised by their financial adviser to determine how to best achieve that maximization, not the Proponent. The Commission has previously excluded proposals where the exact language of the proposal is not directly required by the engagement letter engaging the advisor. *See, e.g., BostonFed Bancorp, Inc.* (avail. Mar. 17, 2000) (permitting exclusion in cases where an investment advisor was hired for substantially the purposes outlined in the proposal and the board of the company was not otherwise required to adopt a specific course of action, in part because the proposal was framed as a recommendation).

The present fact pattern is distinguishable from situations where a company had previously retained advisors well in advance of the proposal or its retention had not substantially encompassed the requests from the proposal, which may include the company trying to obscure the proposal in a prior engagement or as a part of regular strategic planning purposes. *See, e.g., Capital Senior Living Corporation* (avail. Mar. 23, 2007) (where an advisor had been obtained almost a year in advance of the proposal's submission and for general strategic planning purposes); *EDO Corp.* (avail. Feb. 16, 1995) (where the company had, in the past, regularly consulted with investment banking firms to discuss strategic initiatives following receipt of a proposal asking the company to explore alternatives to increase shareholder value). Instead, the Company has engaged Hovde in direct response to the Proposal, and is evaluating the contents of the Proposal and the impact to the Company and its shareholders of engaging in the transactions specifically contemplated by the Proposal. In addition, the Company's implementation is also distinguishable from the fact pattern in *Qumu Corporation* (avail. April 5, 2022), because the proposal in *Qumu* specifically called for the engagement of an advisor not previously engaged by the company, where the Proponent's Proposal contained no such requirement.

b. *The Company Has Been Engaging in Merger Activity Guided by Investment Banking Firms*

As detailed in Section III, LCNB retained two different investment banking firms to advise on two separate acquisitions by merger in 2023. The acquisition by merger of Cincinnati Bancorp, advised by Janney, closed November 1, 2023. The acquisition by merger of Eagle, advised by Hovde, was first announced thirteen days subsequent to the Proponent's submission.

The Proponent's Proposal references transaction by merger, which can include both the concept of an acquisition by merger or a sale by merger. The Proponent's use of the conjunction "or" reinforces the notion that the reference is a different type of transaction than a sale by merger. While the Proponent's Supporting Statement contains two references to a merger with a larger financial institution, it also references rapid consolidation in the banking industry and the benefits of banks growing larger faster, both of which the Company can achieve through continued growth and expansion via transaction activity with smaller institutions. As noted above, shortly following the receipt of the Proponent's Proposal, the Company announced entering into its second acquisition agreement by merger of 2023. The Company engaged Hovde (separate from its December engagement) to be its exclusive financial adviser with respect to the transaction.

Pursuant to that engagement, the Company announced the merger, one of the two types of transactions referenced in the Proposal. In summary, in the lead-up and announcement of its entry into a merger agreement with Eagle, the Company: (1) engaged an investment banking firm experienced in community banking mergers and acquisitions contemporaneously with the submission of the Proposal by the Proponent, which such firm is still retained in connection with the merger; and (2) the firm is guiding the Company in completing a merger transaction, targeted for completion in the second quarter of 2024. In the past, the Commission has permitted exclusion of proposals where the company has already begun a transaction process. *See, e.g., Alliance Bankshares Corp.* (avail. April 30, 2009) (the Commission permitted exclusion of a proposal requesting that the company engage an investment banking firm to explore all strategic alternatives to increase stockholder value, including the sale of the company, because the company had initiated a sales process). The present fact pattern is distinguishable from situations like the substantial implementation request in *General Electric* (avail. Dec. 23, 2022), where the company tried to argue that it had substantially implemented the proposal requesting the sale of the company via its plan to form three, independent spinoff companies, as the Company's transaction activity exactly matches that requested in the Proposal.

Taking into account both the Company's separate engagement of Hovde, as well as its ongoing merger activity, the Company has already captured the essence of the proposal with its ongoing actions, and the proposal should be excluded from the 2024 Proxy Materials.

V. The Proposal Would Require the Company to Violate Ohio Revised Code Section 1701.59 if Fully Implemented

Under Rule 14a-(8)(i)(2), a shareholder proposal can be omitted from a company's proxy materials if such proposal would, if implemented, cause the company to violate any state, federal, or foreign law. Accordingly, the Company is permitted to omit this Proposal as the terms of the Proposal, if fully implemented, would require the Board to violate its express responsibility to evaluate a number of certain purposes while considering what is in the best interests of the corporation, which it is required to do under Ohio law and the Company's Amended and Restated Articles of Incorporation (its "Articles"). This section constitutes our opinion as Ohio counsel to the Company for the purposes of Rule 14a-8(j)(2)(iii).

The Company is incorporated in, and accordingly subject to, the laws of the State of Ohio. Under Ohio law, directors have broad discretionary authority to direct the corporation's affairs and interests. In fact, Section 1701.59(A) of the Ohio Revised Code states plainly, that except where the law, the articles, or the regulations require that action be authorized or taken by the shareholders, "all of the authority of a corporation shall be exercised by or under the direction of its directors." OHIO REV. CODE § 1701.59(A).

To exercise this authority, though, directors are charged with a duty to serve in good faith and in a manner that the directors reasonably believe to be in, or not opposed to, the best interests of the corporation. OHIO REV. CODE § 1701.59(B). That said, the law makes plain that in order for directors to serve in such in a manner, the directors must comply with certain express requirements.

To that end, at least one thing is clear—Section 1701.59(F) of the Ohio Revised Code says that in determining what the director believes to be in the best interests of the corporation, a director "shall consider any priority among purposes provided in the corporation's articles." In this case, the Company's Articles contain a mandate that expressly indicates what priority shall be considered when evaluating an offer to purchase the interests in, merge with, or acquire the assets of the Company. In this context, according to Article Seventh of the Articles, directors shall, give due consideration,

> in connection with the exercise of its judgment in determining what is in the best interests of the Corporation and its shareholders, give due consideration not only to the price or other consideration being offered but also to all other relevant factors, including without limitation the financial and managerial resources and future prospects of the other party; the possible effects on the business of the Corporation and its subsidiaries and on the depositors, employees, and other constituents of the Corporation and its subsidiaries; and the possible effects on the communities and the public interest which the Corporation and its subsidiaries serve.

This Proposal, which would ignore this express requirement, as presented in the Company's Articles and approved previously by its shareholders, by requiring the Board to evaluate a transaction solely on the basis of the maximization of shareholder value, would thus require the directors to violate this provision in its Articles, the will of the shareholders and thus the mandate under Section 1701.59(F) of the Code.

The Staff has previously concurred with the omission of proposals that would similarly violate state law by conflicting with the fiduciary duties of the directors, terms of the corporation's organizing documents, and clear commands of state law. First, Staff has concurred with the omission of a proposal that would violate state law because the proposal was inconsistent with the terms of the company's organizing documents and state law and because it had the potential to prevent the board of directors from exercising its full managerial power in accordance with their fiduciary duties. *See CA, Inc.* (avail. July 17, 2008) (concurring with the omission of a proposal to amend the corporation's bylaws to require reimbursement for certain board election expenses when both the company's certificate of incorporation and Delaware General Corporation Law vested the decision to reimburse director election expenses, and the proposed amendment would effectively divest the board of this authority). Staff has similarly concurred with the omission of a proposal that would violate state law since it clashed with the board's fiduciary duties and decision-making responsibility. *See GenCorp Inc.* (avail. Dec. 20, 2004) (concurring with the omission of a proposal requesting an amendment to the company's governing documents to provide that every shareholder resolution that is approved by a majority of shareholder votes cast be implemented by the company since the proposal conflicted with the fiduciary duties of the directors to exercise its decision-making responsibility under Section 1701.59(A) of the Ohio Revised Code). And lastly, Staff has also concurred with the omission of proposals that go against the express term of the corporate law that applies to the company. *See, e.g. PG&E Corp.* (avail. Feb. 14, 2006) (concurring with the exclusion of a proposal requesting the amendment of the company's governing documents to institute majority voting in director elections where Section 708(c) of the California

Corporations Code required that plurality voting be used in election of directors). Accordingly, because the Proposal, as implemented would require the Board to disregard the plain requirements of its Articles and Ohio law and to violate its fiduciary duties, the Company has the ability to omit this Proposal under Rule 14a-8(i)(2).

To be sure, the mandate under Section 1701.59(F), under its plain meaning, implicates this provision in the Articles—and in the absence of ambiguity, a statute should be applied by its plain meaning. *See Sears v. Weimer*, 143 Ohio St. 312 (1944). As an initial matter, under Ohio law, "shall" plainly conveys the enacting legislature's intent to make this particular command mandatory. *Dep't of Liquor Control v. Sons of Italy Lodge 0917*, 65 Ohio St. 3d 532 (1992). And "purpose," according to Merriam-Webster Dictionary, means "something set up as an object or end to be attained." Article Seventh sets forth clearly that the directors must prioritize more than one objective or end to be attained—it is absolutely imperative that such other listed factors be prioritized and evaluated, and maximization of shareholder value cannot be the sole factor considered.

Moreover, the fact that this proposal is worded as a recommendation is irrelevant. It is the case that Staff has indicated that in some instances, if certain proposals were recast as recommendations, then they would not be regarded as requiring a violation of law. *See, e.g. DCB Financial Corp.* (avail. Mar. 5, 2003). However, it is not the case that Staff has indicated that all precatory proposals are incapable of violating law. As set forth in the plain words of Rule 14a-8(i)(2), the central question is whether the proposal, "if implemented," would violate state law. Accordingly, Staff has concurred with the omission of precatory proposals because it agreed that the proposal would violate law if such proposal's recommendation were implemented. *See, e.g. The J. M. Smucker Co.* (avail. June 22, 2012); *Citigroup, Inc.* (avail. Feb. 22, 2012).

As explained in Section IV, the Company has taken the steps necessary to substantially implement the Proposal. If the Company were to fully implement the proposal, and the Board were to pursue a transaction solely on the grounds of maximizing shareholder value, the Board would violate its duties under both the Company's Articles and Ohio law, as it would not be prioritizing all the factors it must consider.

VI. The Proposal Contains Statements that Are False or Misleading With Respect to a Material Fact and Are Vague and Indefinite to Result In the Violation of Proxy Rules

Pursuant to Rule 14a-8(i)(3), a company may exclude a proposal from its proxy materials if the proposal is contrary to the Commission's proxy rules, including Rule 14a-9, which prohibits any false or misleading statements with respect to any material fact, or which omits any material fact necessary in order to make the statements therein not false or misleading.

a. *The Proposal Violates the Proxy Rules by Being Materially Misleading*

As explained in Staff Legal Bulletin No. 14B (Sept. 15, 2004), Rule 14a-8(i)(3) permits the exclusion of all or a part of a shareholder proposal or the supporting statement if the company demonstrates objectively that a factual statement is materially false or misleading. The Commission has permitted exclusion of proposals and supporting statements that contain false and

misleading statements speaking to the proposal's fundamental purpose. *See, e.g., Ferro Corporation* (avail. Mar. 17, 2015) (the Commission concurred with the exclusion of a proposal where factual statements in the supporting statement were materially false and misleading such that the proposal as a whole was materially false and misleading).

The Proponent, in the opening sentence of the Supporting Statement, asserts the fact that the Company "is a small institution." This assertion is materially false, and seeing as it is the basis on which the Proponent develops his Supporting Statement, the incorrect nature of the assertion makes the Supporting Statement, and thus the Proposal, materially false and misleading. Nationally, out of approximately 4,600 FDIC-insured financial institutions, the Company's subsidiary bank ranks above 90% of institutions reporting assets as of September 30, 2023 on a pro forma basis, and above 89% of institutions reporting deposits as of September 30, 2023 on a pro forma basis. Data provided by *S&P Global Market Intelligence*, analysis conducted separately. Additionally, in Ohio, where the Company is headquartered, the subsidiary bank ranks above 90% of all institutions reporting assets as of September 30, 2023 on a pro forma basis and above 91% of institutions reporting deposits as of September 30, 2023 on a pro forma basis. Data provided by *S&P Global Market Intelligence*, analysis conducted separately.

To call the Company's subsidiary bank a "small institution" is to misunderstand both the Company and the market in which it operates, as the Company is near the very top of all institutions both nationally and regionally for both assets and deposits and therefore, in the Proponent's own words, of the "size and scale for efficient profitability." The Proponent's material falsehood provides the basis for his assessment of the Company's performance, and therefore is materially misleading to shareholders attempting to understand the Proponent's arguments. Therefore, because the very basis of the Proponent's argument is materially false and misclassifies the market in which the Company operates, the Proposal and Supporting Statement should be excluded from the 2024 Proxy Materials.

b. *The Proposal Is So Vague and Indefinite So Neither the Shareholders Nor the Company Would Be Able to Determine with Any Reasonable Certainty Exactly Which Actions or Measures the Proposal Requires*

Pursuant to Staff Legal Bulletin No. 14B (CF), one of the grounds on which a proposal may be excluded is for vagueness, whereby the language of the proposal or the supporting statement render the proposal so vague or indefinite that neither the shareholders voting on the proposal nor the company in implementing the proposal (if adopted) would be able to determine with any reasonable certainty exactly what measures or actions the proposal requires. A proposal may, on its face seem simple, however, upon closer inspection, be subject to multiple conflicting interpretations so that it is confusing and unclear. *International Business Machines Corporation* (avail. Jan. 26, 2009). If the Company is confused by the intention of the Proposal, we submit that the shareholders at large would be similarly confused.

The Proposal and Supporting Statement are vague and indefinite in a way that leaves it widely subject to interpretation in two ways:

- the Proposal and Supporting Statement contemplate two disjunctive courses of action, a merger and a sale; and
- the Proposal is drafted in such a way that it is not clear as to whether the proposed transaction refers to:
    - the parent holding company, LCNB Corp,
    - The subsidiary bank, LCNB National Bank, or
    - LCNB Bancorp, an entity with which we lack familiarity.

First, the Proposal, when read with the Supporting Statement, contemplates either a merger *or* a sale. As defined in *Black's Law Dictionary*, (9th ed. 2009), a merger is when two or more entities combine to become one entity. This definition does not assign a surviving entity by implying that the company merging will be going out of existence, rather, each party is a party to the merger. The Supporting Statement contains two references to the Company merging into another entity, first, that "merger of the Company with a larger financial institution likely will provide stockholders a substantial premium over present market value" and second that "[b]anks similar to LCNB have merged with larger financial institutions." However, the Supporting Statement also cites rapid consolidation in the banking industry, and cites frustration with LCNB's past merger and capital strategies. The Proponents citation to "LCNB's merger . . . strategies" only highlights the Proponent's acknowledgement that the contemplated transaction could very well include the merger of another entity into the Company. Additionally, the Supporting Statement implores the Company to take advantage of the rapid consolidation in the banking industry, which it has been doing via its recent merger activity. Given that the proposal offers up an element of choice by calling the Company to engage in a sale process *or* a merger, the Proposal and Supporting Statement do not make it clear whether the Company should implement the Proposal by conducting additional mergers resulting in its ongoing growth or whether the Company should sell, as both paths could result in the maximization of shareholder value whether evaluated over the long- or short-term. If the Company is not sure of the Proposal's directive, shareholders will be similarly confused.

Furthermore, the Proposal and Supporting Statement are drafted in such a way as to be unclear whether the Proponent is referring to the merger or sale of the Company, its subsidiary, LCNB National Bank, or "LCNB Bancorp". As mentioned above, the Proposal is titled as a call to "LCNB Bancorp," an entity with which the Company is not familiar and is the name of neither the Company nor any of its subsidiaries. In particular, the Proposal calls for the investment banking firm "to guide the Company in promptly taking steps to merge or sell LCNB," which seems to imply that the "Company" and LCNB are two distinct entities. The only mention of either the Company or its bank subsidiary earlier in the Proposal is a reference to "LCNB Corp," a different entity still than "LCNB Bancorp" mentioned in the title. Were the Proposal to be included in the proxy statement and were the shareholders to adopt the Proposal, the Company and its board of directors would be faced with an odd decision: are they supposed to sell and merge the Company, or the subsidiary bank? The Supporting Statement does not provide clarity, and instead adds to the confusion. The Supporting Statement references the financial performance of "[t]he Company" in light of "investment in LCNB," which seems to imply that the Company owns the referenced "LCNB." As the Company's primary subsidiary and source of revenue is LCNB National Bank,

the foregoing would seem to imply that the transaction in question is referencing the banking subsidiary. In another section of the Supporting Statement, it references the merger of "[b]anks similar to LCNB," implying that the merger or sale advocated would be that of the banking subsidiary and not the holding company.

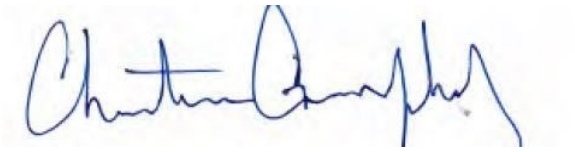
The Supporting Statement also references the "LCNB stockholders." Because the Company is an Ohio corporation and therefore has shareholders, but the banking subsidiary is a national bank with a sole stockholder, LCNB Corp., it is once again unclear to which entity the Proponent is referencing, and whether the Proponent is in fact trying to call upon the Company's shareholders to have the holding company engage in the sale of its subsidiary bank. Given the lack of clarity in the Proposal, which is further exacerbated by the Supporting Statement, were the Proposal to pass a shareholder vote, the Company would be left with unclear instructions on whether to merger or sell the Company or the subsidiary bank.

VIII. Conclusion

Based on the foregoing analysis, we respectfully request that the Commission concur that it will take no action if the Company excludes the Proposal from its 2024 Proxy Materials.

Should the Commission disagree with our conclusion in this letter, including regarding the omission of the Proposal, or desire any clarification, we would appreciate an opportunity to confer with the staff concerning these matters prior to the issuance of the Rule 14a-8 response. We would be happy to provide you with any additional information and answer any questions you may have regarding the subject, and please do not hesitate to contact me at (614) 628-6921 or christian.gonzalez@dinsmore.com.

Sincerely,



Christian Gonzalez

Enclosures

cc: Mr. Eric Meilstrup, Chief Executive Officer
LCNB Corp.

Mr. David Lavan
Dinsmore & Shohl LLP

Mr. Michael Dailey
Dinsmore & Shohl LLP

Mr. Philip Timyan

Exhibit A

[*See attached*]

Stockholder Proposal Recommending the Sale or Merger of LCNB Bancorp

RESOLVED, that the Stockholders of LCNB Corp recommend that the Board of Directors immediately engage an investment banking firm experienced in community bank mergers and acquisitions to guide the Company in promptly taking steps to merge or sell LCNB on terms that will maximize stockholder value.

Supporting Statement

LCNB is a small institution competing for customers and talented employees in a rapidly changing industry requiring size and scale for efficient profitably. Since the turn of the century, LCNB has failed to earn a satisfactory return for stockholders. This is reflected in its share price which as of today is down over 17% since the end of 1999, while the NASDAQ Bank Index has risen 82%. I think it unlikely LCNB stockholders will receive an acceptable return on their investment in the foreseeable future through the Company's continued independent operation. In contrast, the sale or merger of the Company with a larger financial institution likely will provide stockholders a substantial premium over present market value. LCNB should take advantage of the rapid consolidation in the banking industry by selling or merging the Company.

LCNB earnings have recently fallen below a satisfactory return commensurate with the risk of stockholders' invested equity capital. Risk-free returns of over 5% per annum now are available on certificates of deposit.

LCNB’s merger and capital strategies have failed shareholders. Since Columbus First was purchased for 219% of book value, a majority of its deposits have left and LCNB shares are down 29% since that transaction was announced in December 2017.

Since repurchasing activist John Lame’s shares for $20 each in February 2022, LCNB shares have declined 25%. The purchase of Lame’s shares were advertised to be 6.8% accretive to 2022 earnings and 7% thereafter. Instead earnings for the first half of 2023 were well below those of 2022’s first half.

The Company's unsatisfactory financial performance is especially distressing in the context of the risks associated with an equity investment in LCNB. These risks include volatile interest rates, changing real estate values, expensive compliance with regulations and laws, technology developments, expensive cyber security and intense competition from traditional and non-traditional financial institutions. Many non-traditional competitors enjoy advantages of less regulation and lower tax burdens than LCNB.

Banks similar to LCNB have merged with larger financial institutions, and stockholders of the acquired banks have received significant premiums over the pre-merger market price of their shares. Cost efficiencies associated with scalable technology reward larger institutions disproportionately, incentivizing banks to grow larger, faster.

The greatest long-term value for LCNB stockholders will be realized through the prompt sale or merger of the Company.

Please vote FOR this proposal.

Philip J Timyan
November 9, 2023
[redacted]

VIA Canada Post XPRESS DELIVERY
Secretary
LCNB Corp
PO Box 59
Lebanon, OH 45036

RE: Shareholder Proposal

Enclosed is a Shareholder Proposal and Supporting Statement I submit in accordance with the provision for business to be conducted at an annual meeting contained in the April 24, 2023 Proxy Statement of LCNB Corp Pursuant to Securities Exchange Act Rule 14a-8, please include my Proposal and Supporting Statement in the Proxy Statement for the LCNB 2024 Annual Meeting of Stockholders.

Below is required information:
Name Philip J Timyan
Phone [redacted]
Address [redacted]
Number of shares owned 88,065

I represent that I continuously have held at least $25,000 in market value of LCNB Corp shares for at least one year. I intend to continue to hold through the date of the 2024 Stockholders' Meeting all shares that I own.
Some of my LCNB Corp shares are held in my brokerage account at Charles Schwab. Attached is a letter from Schwab evidencing my ownership.
I would be pleased to meet with LCNB representatives in person or by teleconference during normal business hours on a mutually convenient date during the next month, including November 28th or December 4th, 2023 at 3PM Eastern.

Cordially,

Philip J Timyan

November 13, 2023

Account #: PII
Questions: 800-378-0685

Philip Timyan
PII
US

Important Account Information.

Dear Philip Timyan,

Thank you for requesting information about the Schwab Living Trust account referenced above.

As of November 13, 2023, this account holds 37,860 shares of LCNB Corp (Ticker Symbol: LCNB). These shares have been held in the account for a period of over one year and are considered Long Term.

This letter is for informational purposes only and is not an official record of the account. Please refer to statements and trade confirmations as they are the official record of account transactions.

Thank you for choosing Schwab. We appreciate your business and look forward to serving you in the future. If you have any questions, please call me or any Client Service Specialist at 800-435-9050.

Sincerely,

Ashley Bosquez

Ashley Bosquez
Sr Specialist, Partner Support (SD)
ashley.bosquez@schwab.com
800-378-0685
9800 Schwab Way

Lone Tree, CO 80124

From: Philip J Timyan (RIGGS PARTNERS) [redacted]PII
Sent: Wednesday, November 15, 2023 2:01 PM
To: Eric Meilstrup <emeilstrup@lcnb.com>
Subject: LCNB Shareholder Proposal

Hello again Eric!
I hope this finds you well.
UPS has informed me that my Shareholder Proposal package arrived at your office today, well in advance of the Friday, November 17 deadline. It was addressed to the Secretary. Could you please ensure that the secretary receives it? Your switchboard personnel weren't sure who the corporate secretary is. Attached is another copy just in case.
Thank you!
Phil

Dinsmore

Legal Counsel.

DINSMORE & SHOHL LLP
191 W. Nationwide Blvd., Suite 200
Columbus, OH 43215
www.dinsmore.com

Christian Gonzalez
(614) 628-6921 (direct) · (614) 628-6890 (fax)
christian.gonzalez@dinsmore.com

January 18, 2024

U.S. Securities and Exchange Commission
Office of Chief Counsel
Division of Corporation Finance
100 F. Street, N.E.
Washington, D.C. 20549
Via Shareholder Proposal Intake System

Re: LCNB Corp. 2024 Annual Meeting

Omission of Shareholder Proposal Submitted by Philip Timyan

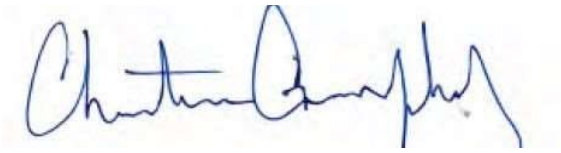
Ladies and Gentlemen:

We previously submitted a letter to the staff, dated December 29, 2023, requesting the staff's concurrence that LCNB Corp. (the "Company") may exclude the shareholder proposal referenced above from the proxy materials for the Company's 2024 annual meeting of stockholders.

On January 15, 2024, the proponent contacted the undersigned via an email communication withdrawing the proposal. Because the proponent has withdrawn the proposal, the Company hereby withdraws its request for a no-action letter relating to the proposal. A copy of this letter is also being provided simultaneously to the proponent.

If you have any questions or require additional information, please do not hesitate to contact me at (614) 628-6921 or christian.gonzalez@dinsmore.com.

Sincerely,



Christian Gonzalez

cc: Mr. Eric Meilstrup, Chief Executive Officer
LCNB Corp.

Mr. David Lavan
Dinsmore & Shohl LLP

Mr. Michael Dailey
Dinsmore & Shohl LLP

Mr. Philip Timyan