

**CNB CORPORATION**  
303 North Main Street  
Cheboygan, Michigan 49721

April 17, 2015

Dear Shareholder:

You are cordially invited to attend the annual meeting of CNB Corporation to be held at the Knights of Columbus Hall, 9840 N. Straits Highway (near the intersection of highways U.S. 27 and M-33), Cheboygan, Michigan, at 7:00 p.m. on Tuesday, May 19, 2015. The Notice of Annual Meeting and Proxy Statement follow this letter and the Corporation's 2014 Annual Report is enclosed.

It is important that your shares be represented at the meeting. Whether or not you plan to attend, we urge you to sign, date and return your Proxy as soon as possible in the enclosed postage-paid envelope.

Dessert will be served following the meeting and we hope you will be able to join us.

Your continued support of, and interest in, CNB Corporation are sincerely appreciated and we encourage you to recommend the Corporation's services to your friends and neighbors.

We look forward to seeing you at the meeting.

Respectfully,

/s/ Susan A. Eno

Susan A. Eno  
President and Chief Executive Officer

enclosures

**CNB CORPORATION**  
303 North Main Street  
Cheboygan, Michigan 49721

**NOTICE OF ANNUAL MEETING OF SHAREHOLDERS**

**To Be Held May 19, 2015**

TO THE SHAREHOLDERS:

The Annual Meeting of Shareholders of CNB Corporation, a Michigan corporation, will be held on Tuesday, May 19, 2015, at 7:00 p.m., at the Knights of Columbus Hall, 9840 N. Straits Highway, Cheboygan, Michigan, for the following purposes:

1. To elect three directors, each to hold office for terms expiring in May 2018 as described and until his or her successor is elected and qualified.
2. To transact such other business as may properly come before the meeting or any adjournment thereof.

The Board of Directors fixed March 20, 2015, as the record date for the determination of shareholders entitled to notice of and to vote at the meeting or any adjournment thereof.

**Your vote is important. Even if you plan to attend the meeting, please date and sign the enclosed proxy form, indicate your choice with respect to the matters to be voted upon, and return it promptly in the enclosed envelope. If you do attend the meeting, you may, if you wish, revoke your proxy and vote your shares in person.**

By order of the Board of Directors,

/s/ Rebecca L. Tomaski

Rebecca L. Tomaski  
Secretary

Dated: April 17, 2015

**CNB CORPORATION**  
303 North Main Street  
Cheboygan, Michigan 49721

**PROXY STATEMENT**  
**2015 ANNUAL MEETING OF SHAREHOLDERS**  
**May 19, 2015**

This Proxy Statement and the enclosed Proxy are furnished in connection with the solicitation of proxies by the Board of Directors of CNB Corporation (the "Corporation"), a Michigan bank holding company whose sole subsidiary is Citizens National Bank of Cheboygan (the "Bank"), to be voted at the Annual Meeting of Shareholders of the Corporation to be held on May 19, 2015, at 7:00 p.m., at the Knights of Columbus Hall, 9840 North Straits Highway, Cheboygan, Michigan (the "Annual Meeting"), or at any adjournment or adjournments thereof, for the purposes set forth in the accompanying Notice of Annual Meeting and in this Proxy Statement.

**VOTING AT THE MEETING**

This Proxy Statement and the enclosed Proxy are expected to be mailed on or about April 17, 2015, to all holders of record of common stock of the Corporation as of the record date. The Board of Directors of the Corporation has fixed the close of business on March 20, 2015, as the record date for the determination of shareholders entitled to notice of and to vote at the Annual Meeting and any adjournment thereof.

The Corporation's only class of outstanding stock is its common stock, par value \$2.50 per share. As of the record date of March 20, 2015, 1,212,098 shares of common stock of the Corporation were outstanding. Each outstanding share will entitle the holder thereof to one vote on each separate matter presented for vote at the meeting. Votes cast at the meeting and submitted by proxy are counted by the inspectors of the meeting who are appointed by the Corporation.

If a Proxy in the enclosed form is properly executed and returned to the Corporation, the shares represented by the Proxy will be voted at the Annual Meeting and any adjournment thereof. If a shareholder specifies a choice, the Proxy will be voted as specified. If no choice is specified, the shares represented by the Proxy will be voted for the election of all of the nominees named in this Proxy Statement and in accordance with the judgment of the persons named as proxies with respect to any other matter which may come before the meeting or any adjournment thereof.

A Proxy may be revoked before exercise by notifying the Secretary of the Corporation in writing, or by submitting a Proxy of a later date or attending the meeting and voting in person. All shareholders are encouraged to date and sign the enclosed Proxy form, indicate your choice with respect to the matters to be voted upon, and return it to the Corporation.

## ELECTION OF DIRECTORS

The Bylaws of the Corporation provide for a Board of Directors consisting of a minimum of five and a maximum of thirteen members. Currently there are ten members of the Board.

With the amendment to the Articles of Incorporation to add Article VIII providing for a classified Board of Directors, approved by the shareholders at its May 20, 2014 meeting, the terms of Thomas J. Ellenberger, Vincent J. Hillesheim and F. Joseph VanAntwerp, as Class I directors, and Christopher B. Shepler as a director appointed in May 2014, are set to expire at the 2015 Annual Meeting of Shareholders.

Three persons have been nominated for election to the Board, each to serve for three year terms expiring at the 2018 Annual Meeting of Shareholders. The Board has nominated Thomas J. Ellenberger, Vincent J. Hillesheim and Christopher B. Shepler. Mr. Ellenberger and Mr. Hillesheim are incumbent directors elected by the Corporation's shareholders at the prior annual meeting of shareholders and Mr. Shepler was appointed to the Board of Directors of the Bank and the Corporation in May 2014.

All directors are independent directors within the meaning of NYSE listing standards.

It is in the intention of the persons named in the enclosed form of Proxy to vote such Proxy FOR the three nominees named above unless otherwise directed in the Proxy. In the event any of such nominees shall become unavailable, which is not anticipated, the Board of Directors in its discretion may designate substitute nominees, in which event the enclosed Proxy will be voted for such substitute nominees. Proxies cannot be voted for a greater number of persons than the number of nominees named.

A plurality of the votes cast at the meeting is required to elect the nominees as directors of the Corporation. Shares not voted at the meeting, whether by abstention, broker non-vote, or otherwise, will not be treated as votes cast at the meeting.

**THE BOARD OF DIRECTORS RECOMMENDS A VOTE FOR ELECTION OF ALL NOMINEES AS DIRECTORS.**

### INFORMATION ABOUT DIRECTOR NOMINEES

The information set forth below relating to each nominee's age, year first elected as director and principal occupation or employment for the past five years has been provided as of March 1, 2015 by the respective nominee.

**Thomas J. Ellenberger** (age 64)

Mr. Ellenberger has been part owner, Vice President and Secretary of Albert Ellenberger Lumber Co. (retail lumber sales) for the past 36 years. He has served as a director of the Bank since 1995 and as a director of the Corporation since 1996. He has served as Audit Committee Chairman since August 2006. Mr. Ellenberger's contributions are his knowledge of and familiarity with the Corporation and Bank's service area in the community of Onaway.

**Vincent J. Hillesheim** (age 64)

Mr. Hillesheim is retired former President of Anchor In Marina of Northern Michigan, Inc. He has served as a director of the Corporation and the Bank since 1994 and as the lead independent director serving as Chairman since 2006. His working career has included operation and management of small business, commercial property management, budgeting, personnel management, small business financing and governmental regulations. Mr. Hillesheim's contributions and qualifications include his insights to a range of operational matters as well as his knowledge and familiarity with the Corporation and Bank's service area. He has served on various community boards and is still active in the community of Cheboygan.

**Christopher B. Shepler** (age 52)

Mr. Shepler is the President of Shepler's Mackinac Island Ferry Service, a third-generation family business located in Mackinaw City, Michigan. He is licensed through the United States Coast Guard as a Master of the Great Lakes pilot. Mr. Shepler has served as a director of the Corporation and the Bank since 2014. He grew up in northern Michigan and throughout his career Mr. Shepler served on a number of local and national civic organizations and tourist-related boards. In addition to his experience as the co-owner of a successful multi-million dollar business, employing more than 200 individuals on a seasonal basis, Mr. Shepler's contributions to the board include his knowledge of and familiarity with the Corporation and Bank's service area in the Mackinaw City and surrounding region, along with his understanding of the travel and tourism industry.

## **COMMITTEES AND MEETINGS OF THE BOARD OF DIRECTORS**

The Board of Directors of the Corporation has an Audit Committee. Its membership is comprised of Directors Ellenberger (who serves as Chairman), Baker, Hillesheim, Lieder, Redman, Shepler, Swadling, Tromble and VanAntwerp. All members qualify as "independent directors" under the NYSE listing standards. All of the members are financially literate and at least one of the members has expertise in accounting and other aspects of financial management. Considering this experience and expertise and other relevant issues, the Board of Directors believes that the Audit Committee can effectively fulfill its duties and obligations.

Traditionally all directors of the Corporation also serve as the Board of Directors of the Bank; therefore, director nominees must meet the qualifications for national bank directors set forth in 12 USC Sec. 72. Based on those qualifications and Comptroller of the Currency and corporate governance guidelines, the Board of Directors has developed criteria to be used in considering individual director candidates. Consideration of factors relative to the size and composition of the Board of Directors will vary according to the expertise and demographics of the existing Board. In making nominations for election to the Board of Directors, the Board of Directors will consider director candidates recommended by shareholders. Any director candidate recommended by shareholders will be reviewed and evaluated in the same manner as all other director candidates.

Under the Bylaws of the Corporation, nominations of persons for election to the Board of Directors may be made by any shareholder entitled to vote at a meeting at which one or more directors will be elected by submitting written notice of any nomination to the Secretary of the Corporation. The notice must be received at the principal business office of the Corporation not less than 90 days nor more than 120 days prior to the scheduled date of the annual meeting, regardless of

any postponements, deferrals or adjournments of that meeting to a later date. In the case of a special meeting of the shareholders or in the event that the date of the applicable annual meeting is changed by more than 30 days from its scheduled date, a shareholder's notice must be received no later than the close of business on the 10<sup>th</sup> day following the earlier of the day on which notice of the meeting date was mailed or the day public disclosure of the meeting was made. The notice must set forth or include: (1) the name and address, as they appear on the records of the Corporation, of the shareholder giving the notice; (2) a representation that the shareholder giving the notice is a holder of record entitled to vote at such meeting and intends to appear in person or by proxy at the meeting to nominate the person or persons specified in the notice; (3) the class and number of shares of the common stock of the Corporation beneficially owned and of record by the shareholder giving the notice; (4) any material interest or relationship that the shareholder giving the notice may have with each proposed nominee; (5) the name, address, age, principal occupation or employment, and such other information for each proposed nominee as would be required to be included in a proxy statement had the nominee been nominated, or intended to be nominated, by the Board of Directors; and (6) a signed consent of each proposed nominee to serve as a director of the Corporation if so elected.

Separate persons serve as the Chairman of the Board and the Chief Executive Officer of the Company. Currently, Mr. Hillesheim serves as Chairman and Ms. Eno serves as President and Chief Executive Officer. The Chairman of the Board serves as the lead Director and presides at meetings except for the Audit Committee meetings. The Audit Committee has its own Chairman who presides over the Audit Committee meetings. The Board believes that this leadership structure is appropriate given the Bank's characteristics as it allows for additional independent oversight of management decisions; it also permits our Chairman to direct his attention to governance matters while our President and Chief Executive Officer can focus on operational issues. Furthermore, the current leadership structure has been in place since 2005 although, it is not to say that the Board would not change it in the future under appropriate circumstances. The independent Directors regularly met in a closed session with the Bank's Manager of Internal Audit/Internal Auditor and the external auditors. The Board and Audit Committee are actively involved in oversight of risk, compliance and business results. Beginning 2016, the Corporation is outsourcing the Internal Audit function, but will continue to meet regularly in closed session with the Internal Audit Firm. Management is responsible for the management of risk, and reports to the Board and Audit Committee. Board members have complete access to management and outside advisors; thus, the President and Chief Executive Officer is not the sole source of information for the Board.

The directors of the Corporation are expected to attend the Annual Meeting of Shareholders with the organizational meeting of the newly elected Board of Directors to be held as provided in the Bylaws. All directors attended the 2014 Annual Meeting of Shareholders.

## **CODE OF ETHICS**

The Corporation has adopted a Senior Financial Officers Code of Ethics that applies to the Corporation's chief executive officer, treasurer, controller or other senior officers performing similar functions. A copy of the Senior Financial Officers Code of Ethics will be furnished without charge upon written request to: Secretary, CNB Corporation, P.O. Box 10, Cheboygan, Michigan 49721. The Bank also maintains a general code of ethics applicable to all employees.

## SHAREHOLDER COMMUNICATIONS WITH DIRECTORS

The Board of Directors does not have a formal process for shareholders to send communications to the Board of Directors. All members of the Board of Directors and a large majority of the shareholders reside in the rural geographic area served by the Corporation and the Bank and open and direct communication between the directors and those shareholders is encouraged. As for written communications from shareholders or other interested parties to the Board of Directors or any specific individual director, the practice has been and will continue to be that all such communications are promptly forwarded to the appropriate party or shared with the full Board of Directors no later than the next regularly scheduled meeting of the Board. Any shareholder wishing to send a written communication to the Board of Directors or a specific individual director should address the communication to the Board of Directors or the individual director, CNB Corporation, 303 N. Main Street, P.O. Box 10, Cheboygan, MI 49721.

## SHAREHOLDER PROPOSALS

Under the Bylaws of the Corporation, any shareholder proposal to be considered at the annual meeting of the shareholders must concern a proper subject for shareholder action and have been submitted to the board of directors in written form containing certain required information with respect to the proposal and the proponent, not less than 90 days nor more than 120 days prior to the scheduled date of the meeting. No such proposals were received.

## OTHER BUSINESS

The Board of Directors is not aware of any matter to be presented for action at the meeting, other than the matters set forth herein. If any other business should come before the meeting, or any adjournment thereof, the Proxy will be voted in respect thereof in accordance with the best judgment of the persons authorized therein, and discretionary authority to do so is included in the Proxy. The cost of soliciting proxies will be borne by the Corporation. In addition to solicitation by mail, officers and other employees of the Corporation and the Bank may solicit proxies by telephone or in person, without compensation other than their regular compensation.

## DELIVERY OF DOCUMENTS TO SHAREHOLDERS SHARING AN ADDRESS

If you share an address with one or more other shareholders, a single copy of the Annual Report and Proxy Statement is being provided to you and the other shareholders. If you wish to receive a separate copy, make that request to the Secretary of CNB Corporation in writing to P. O. Box 10, Cheboygan, MI 49721, by email to [registrar@cnbismybank.com](mailto:registrar@cnbismybank.com) or by telephone at 231-627-7111 or 1-888-627-7800.

The Annual Report of the Corporation for 2014 is included with this Proxy Statement. **Important Note: Beginning in 2016 the mailing for the Annual Meeting of Shareholders will NOT include an Annual Report.** However, instructions to obtain the Annual Report in either electronic or print form will be provided to shareholders in future Annual Meeting mailings.

**Shareholders are urged to sign and return the enclosed proxy in the enclosed envelope.**