

AMTECH SYSTEMS INC
Form DEF 14A
January 25, 2016

DEFINITIVE PROXY STATEMENT

SCHEDULE 14A

(Rule 14a-101)

INFORMATION REQUIRED IN PROXY STATEMENT

SCHEDULE 14A INFORMATION

Proxy Statement Pursuant to Section 14(a) of the

Securities Exchange Act of 1934 (Amendment No.____)

Filed by the Registrant R

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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

AMTECH SYSTEMS, INC.

(Name of Registrant as Specified in its Charter)

N/A

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

Payment of Filing Fee (Check the appropriate box):

No fee required.

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(1) Title of each class of securities 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:

AMTECH SYSTEMS, INC.
131 SOUTH CLARK DRIVE
TEMPE, ARIZONA 85281

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS
TO BE HELD ON MARCH 9, 2016

To Our Shareholders:

The 2016 Annual Meeting of Shareholders of AMTECH SYSTEMS, INC., an Arizona corporation (the “Company”), will be held at The Tempe Mission Palms Hotel, 60 East 5th Street, Tempe, Arizona, USA, on Wednesday, March 9, 2016, at 9:00 a.m., Arizona time, for the following purposes:

1. To elect eight (8) directors to serve for one-year terms or until their successors are elected and qualified;
2. To ratify the appointment of Mayer Hoffman McCann P.C. (“Mayer Hoffman”) as the Company’s independent registered public accountants for the fiscal year ending September 30, 2016;
3. To hold an advisory vote approving the compensation of the Company’s named executive officers;
4. To transact such other business as may properly come before the meeting or its adjournment.

The foregoing items of business are more fully described in the Proxy Statement accompanying this notice. The Company is presently aware of no other business to come before the Annual Meeting.

Important Notice Regarding the Availability of
Proxy Materials for the Meeting

The proxy statement and annual report to security holders are also available at <http://www.amtechsystems.com/proxy.htm>. The materials available on this website include this notice, the proxy statement, the proxy card and our annual report on Form 10-K.

The Board of Directors has fixed the close of business on January 19, 2016 as the record date (the “Record Date”) for the determination of shareholders who hold the Company’s common stock who are entitled to notice of, and to vote at, the Annual Meeting or any postponement or adjournment thereof. Shareholders are reminded that their shares of the Company’s common stock can be voted at the annual meeting only if they are present at the Annual Meeting in person or by valid proxy. A copy of the Company’s 2015 Annual Report, which includes our audited financial statements, was mailed with this Notice and Proxy Statement to all shareholders of record on the Record Date.

Management of the Company cordially invites you to attend the Annual Meeting. Your attention is directed to the attached Proxy Statement for a discussion of the foregoing proposals and the reasons why the Board of Directors encourages you to vote FOR approval of such proposals.

By Order of the Board of Directors:

Bradley C. Anderson, Secretary

Tempe, Arizona
January 25, 2016

IMPORTANT: IT IS IMPORTANT THAT YOUR SHARES BE REPRESENTED AND VOTED AT THIS MEETING. PLEASE VOTE YOUR SHARES PROMPTLY BY COMPLETING AND RETURNING YOUR PROXY CARD OR BY VOTING ON THE INTERNET OR BY TELEPHONE.

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AMTECH SYSTEMS, INC.
131 SOUTH CLARK DRIVE
TEMPE, ARIZONA 85281

PROXY STATEMENT

The Board of Directors, or "Board", of Amtech Systems, Inc., an Arizona corporation (the "Company" or "Amtech"), is soliciting proxies to be used at the 2016 Annual Meeting of Shareholders of the Company to be held on Wednesday, March 9, 2016, at 9:00 am, Arizona time, and any adjournment or postponement thereof (the "Annual Meeting" or "Meeting"). A copy of the Notice of the Meeting accompanies this Proxy Statement. This Proxy Statement and the accompanying form of proxy will be mailed to all shareholders entitled to vote at the Annual Meeting beginning January 25, 2016.

Who Can Vote

Shareholders of record as of the close of business on January 19, 2016 (the "Record Date"), may vote at the Annual Meeting and at any and all adjournments or postponements of the meeting. On the Record Date, 13,167,509 shares of the Company's common stock, \$.01 par value ("Common Stock") were issued and outstanding.

What Constitutes a Quorum

The presence, in person or by proxy, of the holders of a majority of the voting power of the outstanding shares of Common Stock entitled to vote is necessary to constitute a quorum at the Annual Meeting. Abstentions and broker non-votes are included in the number of shares present at the meeting for purposes of determining a quorum. A broker "non-vote" occurs when a nominee holding shares for a beneficial owner does not vote on a particular proposal because the nominee does not have discretionary voting power for that particular item and has not received instructions from the beneficial owner.

How to Attend the Meeting

If you are a shareholder of record, which means you hold your shares in your name, you may attend the meeting. If you own shares in the name of a bank, broker or other holder of record ("street name"), you will need to ask your broker or bank for a copy of the proxy they received from us. You will need to bring the proxy with you to the Annual Meeting.

How to Vote

If your shares are registered directly in your name, you may vote:

Via the Internet. Go to the website www.investorvote.com/ASYS and follow the instructions. You must specify how you want your shares voted or your Internet vote cannot be completed. Votes have to be received no later than 1:00 am Eastern Standard Time the morning of the Meeting.

By Telephone. To vote by phone, call 1-800-652-VOTE (8683) toll free from the U.S. and Canada and follow the instructions. You must specify how you want your shares voted and confirm your vote at the end of the call or your telephone vote cannot be completed. Votes have to be received no later than 1:00 am Eastern Standard Time the morning of the Meeting.

By Mail. Complete and sign the enclosed proxy card and mail it in the enclosed postage prepaid envelope for receipt on or before March 8, 2016. If you execute the proxy but do not specify how you want your shares voted, the shares will be voted in accordance with the recommendations of the Board set forth in the proxy statement.

In Person at the Annual Meeting. If you choose to vote in person at the Meeting, you must bring a government-issued proof of identification that includes a photo (such as a driver's license or passport) and either the enclosed proxy card or other verification of your ownership of Common Stock as of the Record Date.

If your shares are held in "street name" (held for your account by a broker or other nominee):

Your broker, bank or other nominee should give you instructions for voting your shares. You may vote by Internet, telephone or mail as instructed by your broker, bank or other nominee. You may also vote in person if you obtain a legal proxy from your broker, giving you the right to vote your shares at the Meeting and you bring verification of your ownership of Common Stock to the meeting.

We are not aware of any other matters to be presented at the Annual Meeting, except those described in this Proxy Statement. However, if any other matters not described in this Proxy Statement are properly presented at the Annual Meeting, the proxies will use their own judgment to determine how to vote your shares. If the Annual Meeting is adjourned, your Common Stock may be voted by the proxies on the new meeting date as well, unless you have revoked your proxy prior to that time.

What are the Voting Rights of Holders of Common Stock

Except as set forth below with respect to the ability to cumulate votes for directors, the holders of Common Stock will be entitled to one vote per share of Common Stock.

What Vote is Required to Approve Each Item

If a quorum is present, the eight nominees who receive a plurality of the votes cast at the Annual Meeting will be elected. Broker non-votes and votes that are withheld will have no effect on the results of the vote for the election of directors. If a quorum is present, a majority of votes cast by holders of Common Stock represented and entitled to vote at the Annual Meeting will constitute a ratification of the appointment of Mayer Hoffman McCann P.C. as the Company's independent registered public accountants.

Approval of the advisory vote on the compensation of our named executive officers requires the affirmative vote of a majority of the shares of common stock present or represented at the Annual Meeting and entitled to vote. Because the vote on compensation is advisory, it will not be binding upon the Board of Directors. However, the Compensation and Stock Option Committee will take into account the outcome of the vote when considering future executive compensation arrangements.

Changing Your Vote

You may revoke your proxy and/or change your vote at any time before the Meeting.

If your shares are registered directly in your name, you must do one of the following:

Via the Internet or by Telephone. Cast your votes again via the Internet or by telephone by following the directions above. Only the last Internet or telephone vote will be counted.

By Mail. Sign a new proxy card and submit it as instructed above, or send a notice revoking your proxy to the Secretary so that it is received on or before March 8, 2016.

In Person at the Annual Meeting. Attend the Meeting and vote in person. Presence at the Meeting will not revoke your proxy unless you specifically request that your proxy be revoked.

If your shares are held through a broker or other nominee and you would like to change your voting instructions, please follow the instructions provided by your broker.

How Votes are Counted

Inspectors of election will be appointed for the Annual Meeting. The inspectors of election will determine whether or not a quorum is present and will tabulate votes cast by proxy or in person at the Annual Meeting. If you have returned valid proxy instructions or attend the Annual Meeting in person, your Common Stock will be counted for the purpose of determining whether there is a quorum. Abstentions and broker non-votes will be included in the determination of the number of shares represented for a quorum. Generally, broker non-votes occur when a beneficial owner does not provide instructions to their broker with respect to a matter on which the broker is not permitted to vote without instructions from the beneficial owner. In tabulating the voting result for any particular proposal, shares that constitute broker non-votes are not considered entitled to vote or votes cast on that proposal. Accordingly, broker non-votes will not affect the outcome of any matter being voted on at the meeting, assuming that a quorum is obtained.

Costs of this Proxy Solicitation

We will pay the costs of preparing and mailing the Notice and Proxy Statement, including the charges and expenses of brokerage firms, banks and others who forward solicitation material to beneficial owners of the Common Stock. We will solicit proxies by mail. Officers and directors of the Company may also solicit proxies personally, or by telephone or facsimile, without additional compensation. We have not retained any outside party to assist in the solicitation of proxies; however, we have retained Computershare Trust Company, N.A. and Broadridge Financial Solutions, Inc. to provide certain administrative services in connection with the proposals in this Proxy Statement, including coordinating the distribution of proxy materials to beneficial owners of Common Stock, contacting shareholders to ensure they have received this Proxy Statement and overseeing the return of proxy cards.

Annual Report

The Company's Annual Report to Shareholders for the fiscal year ended September 30, 2015 (the "Annual Report") has been mailed concurrently with the mailing of the Notice of Annual Meeting and Proxy Statement to all shareholders entitled to notice of, and to vote at, the Annual Meeting. The Annual Report is not incorporated into this Proxy Statement, and is not considered proxy-soliciting material.

The information contained in the "Report of Compensation and Stock Option Committee" and "Audit Committee Report" shall not be deemed "filed" with the Securities and Exchange Commission or subject to Regulations 14A or 14C or to the liabilities of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act") and shall not be deemed to be incorporated by reference into any filing under the Securities Act of 1933, as amended (the "Securities Act") or the Exchange Act.

PROPOSAL NO. 1 – ELECTION OF DIRECTORS

Number of Directors to be Elected

Our Board of Directors will consist of eight members. Each director elected will hold office for one year or until his successor is elected and qualified. If any director resigns, or otherwise is unable to complete his term in office, our Board may elect another director for the remainder of the resigning director's term.

Vote Required

The eight nominees receiving the highest number of votes cast at the Annual Meeting will be elected. There is cumulative voting in the election of directors. This means that each holder of Common Stock present at the Annual Meeting, either in person or by proxy, will have an aggregate number of votes in the election of directors equal to eight (the number of persons nominated for election as directors) multiplied by the number of shares of Common Stock held by such shareholder on the Record Date. The resulting aggregate number of votes may be cast by the shareholder for the election of any single nominee, or the shareholder may distribute such votes among any number or all of the nominees. In order to exercise cumulative voting, the voting shareholder must complete the proxy card and indicate cumulative voting in accordance with the instructions included on the proxy card.

Nominees of the Board

Our Board of Directors is responsible for supervision of the overall affairs of the Company. Our current Board has nominated the following individuals to serve on our Board of Directors for the following year:

Robert M. Averick

Michael Garnreiter

Egbert J. G. Goudena

Robert F. King

Sukesh Mohan

Fokko Pentinga

Paul J. van der Wansem

Jong S. Whang

Each of these nominees has agreed to be named in this Proxy Statement and to serve if elected. See below for information regarding each of the nominees.

There are no family relationships among any of the Company's director nominees or executive officers. Each nominee was recommended by a non-management director.

Our Board of Directors recommends a vote FOR the election of the eight nominees under Proposal No. 1. Our Board of Directors intends to vote its proxies for the election of the nominees, for a term to expire at the next annual meeting. In that regard, our Board of Directors solicits authority to cumulate such votes.

If any nominee should become unavailable for any reason, which our Board of Directors does not anticipate, the proxy will be voted "for" any substitute nominee, or nominees, who may be selected by our Board of Directors prior to, or at, the Annual Meeting, or, if no substitute is selected by the Board prior to or at the Annual Meeting, for a motion to reduce the present membership of the Board to the number of nominees available. The information concerning the nominees and their shareholdings in the Company has been furnished by them to the Company.

Information Concerning Directors and Executive Officers

The following table sets forth information regarding the executive officers and individuals nominated to serve as directors of Amtech as of the date of this filing. The subsequent paragraphs contain biographical data for each executive officer and director.

Name	Age	Position with the Company
Jong S. Whang	70	Executive Chairman and Director
Fokko Pentinga	60	President, Chief Executive Officer and Director
Bradley C. Anderson	54	Executive Vice President – Finance, Chief Financial Officer, Treasurer and Secretary
Paul J. van der Wansem	76	Member, Management Executive Committee and Director
Robert M. Averick	49	Director
Michael Garnreiter	63	Director
Egbert J. G. Goudena	66	Director
Robert F. King	82	Director
Sukesh Mohan	49	Director

Jong S. Whang has been a Director since our inception in 1981, and Mr. Whang was one of our founders. Mr. Whang served as our Chief Executive Officer since our inception until January 1, 2012 when Mr. Pentinga was promoted to that position. Since January 1, 2012, Mr. Whang has served as our Executive Chairman and Chairman of the Board. In addition, Mr. Whang previously served as our President until March 2010 when Mr. Pentinga was promoted to that position. Mr. Whang's responsibilities include establishing the strategic vision for Amtech and assisting in the marketing effort for our solar and semiconductor equipment business and business opportunities in those industries. He has over 40 years of experience in the solar and semiconductor industries, including time spent in both processing and manufacturing of equipment systems. Mr. Whang brings extensive senior management experience and knowledge of our Company and the markets we serve to the Board of Directors. The Board of Directors believes Mr. Whang is also uniquely positioned to provide the Board of Directors with in-depth and timely information about Company operations and with insight as to his strategic vision for the Company.

Fokko Pentinga has been our Chief Executive Officer since January 2012 and our President since March 2010. From December of 2008 until his promotion to President in March 2010, Mr. Pentinga served as Managing Director of Amtech Europe, which is comprised of the Company's two European subsidiaries, Tempres Systems ("Tempres") in Vaassen, the Netherlands, and R2D Automation ("R2D") near Montpellier, France. During that time Mr. Pentinga also served as General Manager of Tempres (a position he held for 15 years) and President of R2D (a position he held for two years). Mr. Pentinga has over 30 years of experience in the semiconductor and solar industries. The Board of Directors benefits significantly from Mr. Pentinga's participation due to his extensive experience in the company and in the markets we serve.

Bradley C. Anderson joined us as Vice President-Finance, Chief Financial Officer, Treasurer and Secretary in April 2006. Prior to joining Amtech, Mr. Anderson spent several years in a consulting role implementing the internal control requirements of the Sarbanes-Oxley Act for a broad range of publicly held companies. From 1996 to 2002, Mr. Anderson served as Vice President-Finance and then as Chief Financial Officer of Zila, Inc., an international provider of healthcare technology and products. Mr. Anderson began his career with Deloitte (formerly Deloitte & Touche) where he worked for over 11 years. He graduated from Brigham Young University with a Bachelor of Science in Accounting. Mr. Anderson is a Certified Public Accountant.

Paul J. van der Wansem has been a member of the Management Executive Committee and a Director since the consummation of the Company's merger with BTU International, Inc. ("BTU") on January 30, 2015 (the "BTU Merger Closing"). Mr. van der Wansem will serve on the Management Executive Committee until January 30, 2016 and the Board of Directors for a term of three years. Prior to joining the Company, Mr. van der Wansem served as President and Chief Executive Officer of BTU from 1979-2002. He returned to these positions in October 2004 and served until the BTU Merger Closing. Mr. van der Wansem also served as Chairman of the Board of Directors of BTU from 1979 until the BTU Merger Closing. Prior to joining BTU, Mr. van der Wansem served as Vice President of Holec, N.V., a Dutch electronics company, President of Holec, USA, Management Consultant for the Boston Consulting Group, and as Adjunct Director of First National City Bank Amsterdam/New York. Mr. van der Wansem's many years of operational and strategic management experience in a global environment, including his 35 years as BTU's Chief Executive Officer, are a valuable asset to the Management Executive Committee and Board of Directors. Robert M. Averick was appointed on January 15, 2016 to serve as a Director. Mr. Averick has over 15 years of experience as a small-capitalization, value-driven public equity portfolio manager. Previous work experience includes positions of increasing responsibility within structured finance, strategic planning and consulting. Mr. Averick received an undergraduate degree in Economics from The University of Virginia and a Master's in Business Administration in Finance from The University of Pennsylvania, The Wharton School of Business. Mr. Averick and certain entities to which his employer provides investment management services currently own in excess of 18% of the outstanding shares of the Company. He previously served on the Company's Board during the years 2005 and 2006.

Michael Garnreiter has been a Director since February 2007. He is the chairman of the Company's Audit and Nominating and Governance Committees, and serves as a member of the Company's Compensation and Stock Option and Technology Strategy Committees. Mr. Garnreiter is the Company's designated financial expert on the Board. He recently retired as Vice President of Finance and Treasurer of Shamrock Foods, a privately-held manufacturer and distributor of foods and food-related products. From January 2010 until August 2012, Mr. Garnreiter was a managing director of Fenix Financial Forensics, a Phoenix-based litigation and financial consulting firm. From August 2006 until January 2010, he was a managing member of Rising Sun Restaurant Group LLC and from December 2008 until December 2009, he was president of New Era Restaurants, LLC, both of which are privately-held restaurant operating companies. From 2002 to 2006, Mr. Garnreiter was CFO of Main Street Restaurant Group, a publicly traded restaurant operating company, and from 1976 to 2002, he was a senior audit partner of Arthur Andersen LLP. Mr. Garnreiter serves on the boards of directors of Taser International (as chairman), a manufacturer of non-lethal protection devices, Knight Transportation Company, a nationwide truckload transportation company, Banner Health, a multi-state health care delivery system, and Global Tranz, a national transportation brokerage company. He graduated from California State University Long Beach with a Bachelor of Science in Accounting and Business Administration. Mr. Garnreiter is a Certified Public Accountant and Certified Fraud Examiner. Mr. Garnreiter's financial background and expertise allows him to provide valuable advice to the Board of Directors.

Egbert J.G. Goudena has been a Director since December 2009. Currently, Mr. Goudena is working at the company Sjanbo B.V., that he founded as a consulting firm in the field of semiconductor processing and development. From 1987 until his retirement in January 2014, Mr. Goudena was the operations manager of the research labs of the Delft Institute of Microsystems and Nanoelectronics ("DIMES") of the Delft University of Technology in The Netherlands. His responsibilities included managing the logistics and infrastructure of the research labs including prototyping and small-scale production. DIMES was established in 1987 and is a strong international center of excellence providing experimental research in many technology areas, including solar cells. In 2008, Mr. Goudena co-founded ISZGRO Diodes, a company that was formed to deliver logistics services to technology companies and to produce extreme ultraviolet (EUV) detectors. He is not currently actively involved in ISZGRO. Mr. Goudena received a Bachelor of Engineering degree in Chemical Technology from the H.T.S. Wegestraat in The Hague. Mr. Goudena's experience in research and technology allows him to advise the Board of Directors with respect to the Company's research and development activities, which are key components of the Company's business strategies.

Robert F. King has been a Director since May 2003. Since 1989, Mr. King has been President of King Associates, which provides consulting services to equipment companies serving the solar, semiconductor and flat panel display

industries. From 1968 to 1988, Mr. King was employed at Varian Associates, where he served in various marketing positions, including Vice President of Marketing for the Semiconductor Equipment Division. Mr. King also served on

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the Board of Directors of Varian's joint venture semiconductor equipment companies located in Korea and Japan. Mr. King has significant experience in advising companies in the solar and semiconductor industries, which allows him to advise the Board of Directors with respect to the Company's overall business. Mr. King also provides the Board of Directors with technical and financial advice as a member of the Company's Audit and Technology Strategy Committees.

Sukesh Mohan has been a Director since April 2015. He is currently Vice President and Co-Founder of El Camino Technologies, LLC, a software services company that manages online content for leading internet companies. Prior to this, Mr. Mohan was Director of Product Management, Etch Products Division, of Applied Materials, Inc. ("Applied"), a global leader in semiconductor and solar equipment. He held various product management and marketing positions at Applied from 1995 to 2009. From 1989 to 1995, Mr. Mohan was the International Marketing Manager for the Company, responsible for market development in Asia and India. He has his MBA from the University of Pittsburgh and graduated from the Indian Institute of Technology with a Bachelor of Technology. Mr. Mohan's experience will allow him to advise the Board of Directors with respect to strategic direction, product roadmaps and business development. Mr. Mohan serves as a member of the Company's Audit and Technology Strategy Committees.

Information About Board and Committee Meetings

Information concerning our Board of Directors and the four committees maintained by our Board is set forth below. Pursuant to NASDAQ and SEC rules, during fiscal 2015 the majority of the Company's directors were not employees of the Company and were "independent" within the meaning of the listing standards of the NASDAQ. Importantly, all members of the Audit, Compensation and Stock Option, and Nominating and Governance Committees are independent. Currently, the Company's independent directors are Robert M. Averick, Michael Garnreiter, Egbert J.G. Goudena, Robert F. King and Sukesh Mohan. Additionally, each member of the Audit Committee is financially literate, and one of the Audit Committee members, Michael Garnreiter, has financial management expertise as required by NASDAQ's rules and meets the SEC's definition of an "audit committee financial expert."

Our Board of Directors held eight (8) meetings during fiscal year 2015. No director attended less than 75% of the aggregate of all Board meetings held while he served as such director and all committee meetings on which he served as a committee member. Our Board has the authority under the Company's Bylaws to increase or decrease the size of our Board and to fill vacancies, and the directors chosen to fill such vacancies will hold office until the Company's next annual meeting or until their successors are elected and qualified. The Company does not have a formal policy with respect to members of the Board of Directors attending the annual meeting. All of the members of the Company's Board of Directors attended the 2015 annual meeting.

The Audit Committee, the Compensation and Stock Option Committee, the Nominating and Governance Committee and the Technology Strategy Committee are the standing committees of our Board of Directors. The members of the committees as of January 19, 2016, are as follows:

Audit – Michael Garnreiter (Chairman), Robert M. Averick, Robert F. King, and Sukesh Mohan

Compensation and Stock Option – Robert F. King (Chairman), Michael Garnreiter, Egbert J.G. Goudena, and Sukesh Mohan

Nominating and Governance – Michael Garnreiter (Chairman), Egbert J.G. Goudena and Robert F. King

Technology Strategy – Egbert J.G. Goudena (Chairman), Robert M. Averick, Michael Garnreiter, Robert F. King, Sukesh Mohan, Fokko Pentinga, Paul van der Wansem and Jong S. Whang

The Audit Committee held four (4) meetings during fiscal year 2015. The Audit Committee assists the Board of Directors in fulfilling its oversight responsibilities with respect to the independent auditors and members of financial management, and the Company's financial affairs, including financial statements and audits, the adequacy and effectiveness of the internal accounting controls and systems, compliance with legal and regulatory requirements, and the retention and termination of the independent registered public accounting firm. The Audit Committee has a written charter, a copy of which is available on the Company's website at www.amtechsystems.com.

The Audit Committee is composed of outside directors who are not officers or employees of the Company or its subsidiaries. In the opinion of our Board, and as “independent” is defined under the listing rules of the NASDAQ Stock Market, these directors are independent of management and free of any relationship that would interfere with their exercise of independent judgment as members of this committee. Additionally, each member of the Audit Committee is financially literate, and one of the Audit Committee members, Michael Garnreiter, has financial management expertise as required by NASDAQ’s rules and meets the SEC’s definition of an “audit committee financial expert.” Pursuant to NASDAQ Rules, the Company maintained three members on the Audit Committee during fiscal 2015. The Compensation and Stock Option Committee held two (2) meetings during fiscal year 2015. The Compensation and Stock Option Committee makes recommendations concerning officer compensation, benefit programs and retirement plans. Each member of the Compensation and Stock Option Committee is an “independent director” as defined in the NASDAQ Listing Rules. The Compensation and Stock Option Committee has a written charter, a copy of which is available on the Company’s website at www.amtechsystems.com.

The Nominating and Governance Committee held three (3) meetings during fiscal year 2015. The Nominating and Governance Committee identifies and approves individuals qualified to serve as members of our Board and also evaluates the Board’s performance. In evaluating a prospective nominee, the Nominating and Governance Committee takes several factors into consideration, including such individual’s integrity, business skills, experience and judgment. The evaluation of director nominees by the Nominating and Governance Committee also takes into account the diversity of prospective board members’ background. The Nominating and Governance Committee also reviews whether a prospective nominee will meet the Company’s independence standards and any other director or committee membership requirements imposed by law, regulation or stock exchange rules. The Nominating and Governance Committee will consider, but is not required to approve, director nominations made by shareholders for any annual meeting of the Company, provided a written recommendation is received by the Company no later than the date shareholder proposals must be submitted for consideration prior to such annual meeting and all other applicable requirements have been satisfied. The Nominating and Governance Committee also develops and recommends corporate governance guidelines to the Board and provides oversight with respect to ethical conduct. Each member of the Nominating and Governance Committee is an “independent director” as defined in the NASDAQ Listing Rules. The Nominating and Governance Committee has a written charter, a copy of which is available on the Company’s website at www.amtechsystems.com.

The Technology Strategy Committee held three (3) meetings during fiscal year 2015. The Technology Strategy Committee assists the Board of Directors in understanding and evaluating the Company’s technology strategy and evaluating potential acquisitions of new technology.

Board Leadership Structure

Mr. Whang, serves as the Company’s Executive Chairman of the Board of Directors, while Mr. Pentinga serves as the Company’s Chief Executive Officer (CEO). The Company does not have a policy regarding the combination or separation of the Chairman and CEO roles. The Company’s Nominating and Governance Committee retains flexibility for the Board to determine whether those roles should be combined or separated in light of prevailing circumstances. We believe that separating the roles of Chairman and CEO allows Mr. Whang to focus on strategic direction and external growth opportunities while Mr. Pentinga, in the role of CEO, focuses on the Company’s operations to transform and sustain innovation within the Company. We believe this enhances the ability of each to discharge his duties effectively. For these reasons, we believe our Board leadership structure is appropriate and is in the best interest of the Company and its shareholders.

The Board of Directors has not designated a lead independent director at this time. We believe that our committee chairmen have the opportunity to call and plan executive sessions collaboratively and, between meetings of the full Board of Directors, communicate with management and one another directly. Accordingly, we do not believe there is a need to designate a lead director at this time.

Board's Role in Risk Oversight

The Company's Board of Directors is actively engaged in the oversight of risks that could affect the Company, with key aspects of such oversight being conducted through the committees of the Board of Directors. The Audit Committee focuses on financial risks, primarily those that could arise from our accounting and financial reporting processes, and also oversees compliance-related legal and regulatory exposure. The Nominating and Governance Committee focuses on the management of risks associated with corporate governance matters, including board organization, membership and structure; management development; and appropriate approval and oversight mechanisms. The Compensation and Stock Option Committee focuses on the management of risks arising from our compensation policies and programs and, in particular, our executive compensation programs and policies. The Technology Strategy Committee focuses on the management of risks associated with emerging and competing technologies within the markets we serve.

While the committees of our Board of Directors are focused on the above specific areas of risk, the full Board of Directors retains responsibility for the general oversight of risk. Committee chairs are expected to provide periodic reports to the full Board of Directors regarding the risk considerations within each committee's area of expertise. Periodic reports are provided to the Board of Directors or the appropriate committee by the executive management team on areas of material risk to the Company, including operational, financial, legal, regulatory and strategic risks. In addition, the general management and operating leadership of the Company's divisions and subsidiaries review, with the full Board, their individual assessment of business risks and their approach to manage those risks. The Board of Directors relies upon these reports, and its discussions relating to such reports, to enable it to understand the Company's strategies for the identification, management and mitigation of risks. This enables the Board of Directors and its committees to coordinate its risk oversight role. The Board of Directors' approach to risk oversight does not directly affect the leadership structure of our Board of Directors, as described above.

DIRECTOR COMPENSATION

The following table shows the total dollar value of all fees earned by and paid in cash to all directors in fiscal 2015 and the grant date fair value of stock awards to directors made in fiscal 2015.

Name	Fees Earned or Paid in Cash (\$)	Option Awards (\$) (1)	All other Comp. (\$)	Total (\$)
Jong S. Whang (2)	—	—	—	—
Fokko Pentinga (2)	—	—	—	—
Paul van der Wansem (2)	—	—	—	—
Michael Garnreiter	61,350	36,539	—	97,889
Egbert J.G. Goudena	36,800	36,539	—	73,339
Robert F. King	47,100	36,539	—	83,639
Sukesh Mohan	26,250	37,525	—	63,775

(1) Amounts represent the aggregate grant date fair value computed in accordance with FASB ASC Topic 718. For a description of the assumptions made by the Company when calculating such grant date fair value, refer to Note 1 to the Company's consolidated financial statements as set forth in the Company's Annual Report on Form 10-K for the fiscal year ended September 30, 2015 filed November 19, 2015.

(2) Directors who are full-time employees of the Company receive no additional compensation for serving as directors. Directors who are full-time employees of our Company receive no additional compensation for serving as directors. Non-employee directors receive an annual retainer of \$16,000, fees of \$2,000 per Board meeting attended in person, \$750 per board meeting attended telephonically, \$1,250 per Audit Committee meeting attended in person, \$750 per Audit Committee meeting attended telephonically, \$750 per Compensation and Stock Option Committee or Nominating and Governance Committee or Technology Strategy Committee meeting attended in person, and \$500 per Compensation and Stock Option Committee or Nominating and Governance Committee or Technology Strategy Committee meeting attended telephonically. In addition to meeting fees, members of Board committees receive compensation for time spent on work assigned by the committee. The rate of compensation for the work assignments is \$100 per hour. In addition, under our Non-Employee Directors Stock Option Plan, each non-employee director currently receives a grant of options to purchase 6,000 shares of common stock, or such other number of shares as may be determined by the Board, when first elected or appointed to the Board, and 6,000 shares of common stock, or such other number of shares as may be determined by the Board, upon each re-election to the Board at our annual meeting of shareholders or at such other time as may be determined by the Board. The exercise price of the options is equal to the closing price of the Company's common stock the previous trading day before the date of grant. Each option has a term of ten years and becomes exercisable on the six month anniversary of the date of the grant, or such other date as determined by the Board. In the event of disability (as defined in the plan) or death of an outside director, all options remain exercisable for a period of 30 days following the date such person ceased to be a director, or such other date as may be determined by the Board, but only to the extent such options were exercisable on the date the director ceased to be a director. Furthermore, the director serving as the Chairman of the Audit Committee receives an annual retainer of \$15,000. The director serving as the Chairman of the Technology Strategy Committee, the director serving as the Chairman of the Compensation and Stock Option Committee as well as the director serving as the Chairman of the Nominating and Governance Committee each receive an annual retainer of \$6,000.

Compensation Committee Interlocks and Insider Participation

The Compensation and Stock Option Committee is presently comprised of Messrs. Michael Garnreiter, Egbert J.G. Goudena and Robert F. King, who are neither current nor former officers or employees of the Company. No interlocking relationship exists, or in the past fiscal year has existed, between any member of the Compensation and Stock Option Committee and any member of any other company's board of directors or compensation committee.

EXECUTIVE COMPENSATION COMPENSATION DISCUSSION AND ANALYSIS

This section discusses the principles underlying our executive compensation policies and decisions. It provides qualitative information regarding the manner in which compensation is earned by the three executive officers whose compensation is disclosed in the compensation tables following this discussion. We refer to these executive officers as “named executive officers” or “NEOs”. Our named executive officers during fiscal year 2015 were:

Jong S. Whang Executive Chairman
Fokko Pentinga President and Chief Executive Officer
Bradley C. Anderson Executive Vice President and Chief Financial Officer

The following discussion and analysis of compensation arrangements should be read together with the compensation tables and related disclosures set forth below. This discussion contains forward-looking statements that are based on our current plans, considerations, expectations and determinations regarding future compensation programs. Actual compensation programs that we adopt may differ materially from currently planned programs as summarized in this discussion. In addition, we address the compensation paid or awarded during fiscal 2015 to our named executive officers.

Executive Summary

Recap of Fiscal Year 2015

We believe that the compensation of our named executive officers should facilitate the achievement of annual corporate goals as well as the performance of long-term business objectives. The 2015 fiscal year was a year of major accomplishments as we diversified our business portfolio with the acquisitions of BTU International, Inc. ("BTU") and SoLayTec B.V. ("SoLayTec"). In addition, the sale of a portion of our investment in ion implant technology generated cash in fiscal 2015 and we project this will generate additional cash in fiscal 2016. We continued to operate in a soft demand environment during fiscal 2015, and therefore maintained a strong focus on corporate-wide expense controls and diligent cash management. For fiscal 2015, we believe our executive compensation programs delivered payouts commensurate with the results of operations and the accomplishments noted above.

It is the responsibility of the Compensation and Stock Option Committee (“Compensation and Stock Option Committee” or “Compensation Committee”) of our Board of Directors to administer our compensation practices to ensure that they are competitive and include incentives which are designed to appropriately drive corporate performance. Our Compensation Committee reviews and approves all of our compensation policies, relating to our named executive officers’ salaries, bonuses and equity incentive compensation.

In November 2015, the Compensation Committee engaged the services of Pearl Meyer, an independent compensation consulting firm, to perform a competitive analysis of the compensation of our named executive officers. Based on a comprehensive review of Amtech's compensation compared to our peer group companies with similar annual revenues, Pearl Meyer determined that Amtech’s pay positioning is below the market 25th percentile on actual and target total direct compensation, which includes base salary, short-term incentives and long-term incentives. The peer group was composed of the following companies:

Electro Scientific Industries Inc.

Axcelis Technologies Inc.

Cascade Microtech Inc.

Cohu, Inc.

CVD Equipment Corporation

FormFactor Inc.

inTEST Corp.

Mattson Technology Inc.

Nanometrics Incorporated
Ultratech, Inc.
Xcerra Corporation
Intevac Inc.

At the Company's 2015 annual meeting of shareholders, we held a non-binding advisory shareholder vote on the compensation of our NEOs, commonly known as a say-on-pay vote. Our shareholders approved the say-on-pay resolution by a favorable vote of approximately 94% of the votes cast, including abstentions. Based upon our review of our compensation policies and based upon the results of the say-on-pay vote, we decided to retain our current approach to executive compensation.

Based upon a separate advisory vote at the 2012 annual meeting of shareholders on the frequency of the say-on-pay vote, shareholders indicated their preference for an annual advisory vote on the compensation of our NEOs. Taking into account the shareholders' vote, the Board of Directors determined that the Company will conduct a non-binding advisory vote to approve the compensation of the Company's NEOs on an annual basis. Therefore, a shareholder advisory vote on executive compensation will be held at the 2016 Annual Meeting of Shareholders. At the 2018 annual meeting of shareholders, the Company will be required to hold another separate advisory vote to reassess the frequency of the say-on-pay vote.

Objectives of Our Executive Compensation Programs

Our compensation programs for our named executive officers are designed to achieve the following objectives:

- attract and retain talented and experienced executives in our industry;
- motivate and reward executives whose knowledge, skills and performance are critical to our success;
- align the interests of our executives and shareholders by rewarding executives when shareholder value increases; and
- motivate our executives to manage our business to meet our short-term and long-term corporate goals and business objectives, and reward them for meeting these objectives.

We use a mix of short-term compensation in the form of base salaries and cash incentive bonuses and long-term compensation in the form of equity incentive compensation to provide a total compensation structure that is designed to encourage our executives to achieve these objectives.

Determining Executive Compensation

Our Compensation and Stock Option Committee establishes our general compensation policies and specific compensation for each of our executive officers, and administers our stock incentive program. In addition, our Compensation and Stock Option Committee is responsible for developing, administering and interpreting the compensation program for our named executive officers and other key employees. Our Compensation and Stock Option Committee was appointed by our Board of Directors, and consists entirely of independent, outside directors under NASDAQ Listing Rule 5605(a)(2) who are "non-employee directors" for purposes of Rule 16b-3 under the Exchange Act.

Our Compensation and Stock Option Committee may delegate some or all of its responsibilities to one or more subcommittees whenever necessary to comply with any statutory or regulatory requirements or otherwise deemed appropriate by our Compensation and Stock Option Committee. Our Compensation and Stock Option Committee has the authority to retain consultants and other advisors to assist with its duties and has sole authority to approve the fees and other retention terms of such consultants and advisors. As noted above, in November 2015, the Compensation Committee engaged the services of Pearl Meyer, an independent compensation consulting firm, to perform a competitive analysis of the compensation of our named executive officers.

Our Compensation and Stock Option Committee's objective is to make the compensation packages of our executive officers sufficient to attract and retain persons of exceptional quality and to provide effective incentives to motivate and reward our executives for achieving our financial and strategic goals, which are essential to our long-term success and growth in shareholder value.

Elements of Our Executive Compensation Programs

Our executive compensation package for the fiscal year ended September 30, 2015 consisted of three main components: base salary, incentive cash bonuses and equity incentives. We believe it is important that the interests of our named executive officers are aligned with those of our shareholders; therefore, equity incentive compensation, in the form of stock options and restricted stock grants, constitutes a significant portion of our total executive compensation.

Within the context of the overall objectives of our compensation programs, the Compensation Committee determined the specific amounts of compensation to be paid to each of our executives in fiscal year 2015 based on a number of factors including:

- the roles and responsibilities of our named executive officers;
 - the individual experience and skills of our named executive officers;
 - the amounts of compensation being paid to our other executives;
 - our named executive officers' historical compensation at our company;
 - the overall benefits package provided to our named executive officers; and
- our understanding of the amount of compensation generally paid by similarly situated companies to their executives with similar roles and responsibilities.

Annual Cash Compensation

Base Compensation

Our Compensation and Stock Option Committee's approach is to offer our executives salaries competitive with those of other executives in the industry in which we operate. To that end, our Compensation and Stock Option Committee periodically evaluates the competitiveness of base salaries against our peer group based on available information drawn from a variety of sources, including published and proprietary survey data, input and recommendations from our independent compensation consultant and our own experience recruiting and retaining executives. Our base salary levels are intended to be consistent with competitive practice and level of responsibility, with salary increases or decreases reflecting competitive trends, our overall financial performance and the performance of the individual executive. Salaries are adjusted to reflect individual roles and performance and may be adjusted at other times if a change in the scope of the officer's responsibilities justifies such consideration or in order to maintain salary equity among executive officers. We believe that a competitive base salary is a necessary element of any compensation program designed to attract and retain talented and experienced executives. We also believe that attractive base salaries can serve as an effective reward for the executives' overall performance.

Cash bonuses

In addition to base salary, our executives are eligible to receive annual cash incentive bonuses comprised of (i) discretionary cash bonuses determined by the Compensation and Stock Option Committee and (ii) bonuses earned under the Company's non-equity incentive bonus plan.

The primary objectives of our discretionary bonuses and non-equity incentive bonus plan are to provide an incentive for superior work, to motivate our executives toward even higher achievement and business results, to tie our executives' goals and interests to ours and our shareholders' and to enable us to attract and retain highly qualified individuals. After

the close of each fiscal year, our Compensation and Stock Option Committee reviews our actual financial performance against the incentive bonus plan performance criteria for each named executive officer in determining year-end incentive bonuses, if any. In addition, our Compensation and Stock Option Committee may recommend discretionary bonuses for particular contribution to the goals of the Company or where incentive bonuses do not adequately reflect the executive's contributions during the year due to circumstances beyond the executive's control.

Under our non-equity incentive bonus plan, participants can earn a target bonus equal to a specified percentage of their base salary by achieving 100% of pre-defined performance objectives. The participant's bonus calculation is based upon achieving performance objectives established in each of the following categories: (i) bookings; (ii) revenue; (iii) gross margin; and (iv) operating profit. Objectives established for participants in these categories may be either at the corporate level, the operating division level or both. In addition, individual performance objectives may be established for certain participants. In order to be eligible for a bonus with respect to any of the above performance categories, the participant must achieve not less than 80% (90% in the case of gross margin) of the applicable performance objective. At these minimum levels, 20% of the bonus for the category is eligible for payment. The bonus calculation percentage with respect to any performance category increases by 4% (8% with respect to gross margin) for each 1% improvement in performance over the minimum level up to 100%, and by 1% (10% with respect to gross margin) for each 1% improvement in performance over 100%, up to a maximum of 150% (200% with respect to gross margin) of the participant's target bonus.

Mr. Whang's target bonus for fiscal 2015 was 80% of his base salary, or \$320,000; Mr. Pentinga's target bonus for fiscal 2015 was 75% of his base salary, or \$305,250; and Mr. Anderson's target bonus was 55% of his base salary, or \$160,325. The bonuses of the named executive officers were calculated solely based upon the performance objectives at the corporate level. If fiscal 2015 performance was equivalent to 80% (90% with respect to gross margin) of performance objectives in all corporate performance categories, Mr. Whang's bonus calculation would be \$64,000, Mr. Pentinga's bonus calculation would be \$61,050, and Mr. Anderson's bonus calculation would be \$32,065. If fiscal 2015 performance was 150% (110% with respect to gross margin) of performance objectives in all corporate performance categories, Mr. Whang's bonus calculation would be \$480,000, Mr. Pentinga's bonus calculation would be \$457,875 and Mr. Anderson's bonus calculation would be \$240,488.

Notwithstanding the calculation of any bonus amount under the fiscal 2015 bonus plan, (i) no bonuses would have been payable based on achievement of corporate level objectives if consolidated operating profit was less than 3%; (ii) no bonuses would have been payable based on achievement of divisional level objectives if division operating profit (before corporate expense allocation) was less than 5%; and (iii) all bonus payments were subject to the discretionary approval of our Compensation and Stock Option Committee.

For fiscal 2015, the Compensation and Stock Option Committee awarded no bonuses pursuant to the non-equity incentive bonus plan. On November 18, 2014, the Compensation and Stock Option Committee approved a discretionary bonus of \$50,000 each for Messrs. Whang, Pentinga, and Anderson. In making the decision to award discretionary cash bonuses for these executives, the Compensation and Stock Option Committee considered the executives' exemplary commitment to management of the company during the last several years and the efforts made related to recent business development activities.

Equity incentive compensation

From time to time, we grant stock options and shares of restricted stock in order to provide certain of our executives with a competitive total compensation package, and to reward contributions to the Company's long-term success and to the commitment of such executives to the interests of the Company's shareholders. These equity incentive awards are in the form of stock options and restricted stock grants to align the interests of our executives with our shareholders by providing our executives with strong incentives to increase shareholder value. Our Board of Directors does not apply a rigid formula in allocating stock options or restricted stock to our named executive officers as a group or to any particular executive. Instead, our Board of Directors exercises its judgment and discretion and considers, among other things, the executive's past performance and contributions, and the executive's anticipated future contributions and responsibilities, competitive factors, the non-equity compensation received by the executive and the total number of options and shares of restricted stock to be granted to all participants during the year.

Our Compensation and Stock Option Committee has discretion to determine the vesting schedule of the stock options and restricted period of the restricted stock granted under our 2007 Employee Stock Incentive Plan. The vesting period and restricted period provide added incentive for the executive to continue his or her employment with us and to strive to improve the Company's business performance.

In fiscal 2015, we granted options to purchase a total of 327,500 shares of common stock, of which options to purchase a total of 135,000 shares were granted to our named executive officers, representing 41% of all options granted in fiscal 2015. In fiscal 2015, we granted no shares of restricted stock. The number of stock options and shares of restricted stock granted to each executive is set forth in the "Grants of Plan-Based Awards" table below. The aggregate grant date fair value (calculated in accordance with FASB ASC Topic 718) with respect to such grants for each individual named executive officer is set forth in the column "Option Awards" and "Stock Awards" in the "Summary Compensation Table." The exercise price of each stock option granted under our plan is based on the closing price of our common stock on the previous trading day before the grant date.

Benefits

All of our named executive officers are eligible to receive an automobile allowance as well as benefits offered to employees generally, including life, health, disability and dental insurance and to participate our 401(k) plan. Our named executive officers are also eligible to participate in the Mayo Executive Health Plan. In addition, our Chief Executive Officer participates in Pensioenfonds Metaal en Techniek, a multi-employer pension plan that generally covers all our employees in the Netherlands. In July 2013, Mr. Whang and Mr. Anderson voluntarily suspended their automobile allowances; however, on November 18, 2014, the Compensation and Stock Option Committee approved the restoration of car allowances for Mr. Whang and Mr. Anderson. Consistent with our compensation philosophy is our intent to maintain our current benefits for our executive officers. Our Compensation and Stock Option Committee, in its discretion, may revise the named executive officers' benefits if it deems it advisable.

Severance and Change in Control Arrangements

Our named executive officers have employment agreements that provide various benefits triggered by employment-related actions such as termination without cause, resignation with good reason and/or termination without cause following a change in control. See "Employment Agreement with Executive Chairman", "Employment Agreement with Chief Executive Officer" and "Employment Agreement with Chief Financial Officer" below for a description of such provisions. Each of the employment agreements has been amended to ensure compliance with Section 409A of the Internal Revenue Code.

In setting the terms of and determining whether to approve these severance and change in control arrangements, our Compensation Committee or Board of Directors, as applicable, recognized that executives often face challenges securing new employment following a termination of their existing employment and that distractions created by uncertain job security may have a detrimental impact on their performance. However, none of the benefits provided by the severance and change in control arrangements are triggered by a change in control if our named executive officer's employment is terminated for cause.

Other Compensatory Arrangements

In connection with the merger with BTU, Paul van der Wansem, BTU's Chairman, President and Chief Executive Officer, entered into a one-year employment agreement with Amtech, which term commenced on January 31, 2015, the first day after completion of the merger. Mr. van der Wansem's employment with BTU was terminated immediately following the effective time of the merger. Mr. van der Wansem served as a member of the management executive committee for a one-year term, with an annual salary of \$350,000, and was provided with health insurance and other benefits in effect for executives of Amtech including an automobile allowance. He also received a grant of 30,000 options on January 30, 2015, which will vest equally over each of the first three anniversaries of the grant date subject to Mr. van der Wansem's continued service. In addition, Mr. van der Wansem also entered into a two-year consulting agreement with Amtech commencing upon expiration of the employment agreement and which provides

compensation of \$22,083 per month. At the effective date of the merger, Amtech also nominated Mr. van der Wansem to its board of directors for a period of three years following the merger.

Accounting Treatment on Compensation Decisions

In the review and establishment of our compensation programs, we consider the anticipated accounting and tax implications to us and our executives. For example, we may utilize restricted stock as forms of equity compensation incentives in response to changes in the accounting treatment of equity awards. While we consider the applicable accounting and tax treatment, these factors alone are not determinative, and we also consider the cash and non-cash impact of the programs and whether a program is consistent with our overall compensation philosophy and objectives.

REPORT OF COMPENSATION AND STOCK OPTION COMMITTEE

The information contained in the following report shall not be deemed to be “soliciting material” or “filed” with the SEC, nor shall it be subject to the liabilities of Section 18 of the Exchange Act, except to the extent that we specifically incorporate it by reference into a document filed under the Securities Act or the Exchange Act.

The Compensation and Stock Option Committee, which is composed entirely of independent, outside directors, establishes the general compensation policies of the Company, and specific compensation for each executive officer of the Company, and administers the Company’s stock option program.

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

RESPECTFULLY SUBMITTED,

Robert F. King, Chairman
Michael Garnreiter
Egbert J.G. Goudena
Sukesh Mohan

SUMMARY COMPENSATION TABLE

The following table sets forth information regarding compensation for services rendered to Amtech during the fiscal years ended September 30, 2015, 2014 and 2013 by our named executive officers.

SUMMARY COMPENSATION TABLE

Name and Principal Position	Year	Salary (\$)	Bonus (\$ (1))	Stock Awards (\$)	Option Awards (\$ (2) (8))	Non-Equity Incentive Plan Compensation (\$)	All Other Compensation (\$)	Total (\$)
Jong S. Whang	2015	362,769	50,000	—	304,495	—	28,901 (3)	746,165
Executive Chairman	2014	224,000	—	—	219,000	—	14,633 (4)	457,633
and Director	2013	299,692	—	—	91,200	—	28,751 (5)	419,643
Fokko Pentinga	2015	342,126	50,000	—	304,495	—	47,179 (7)	743,800
Chief Executive	2014	258,137	—	—	219,000	—	72,456 (7)	549,593
Officer and Director	2013	300,692	—	—	91,200	—	61,301 (7)	453,193
Bradley C. Anderson	2015	258,475	50,000	—	213,147	—	12,485 (6)	534,107
Chief Financial	2014	180,194	—	—	155,078	—	6,618 (6)	341,890
Officer	2013	215,719	—	—	72,960	—	14,435 (6)	303,114

(1) Represents discretionary cash bonuses awarded on November 18, 2014. No discretionary cash bonuses were awarded for fiscal years 2014 or 2013.

(2) Amounts represent the aggregate grant date fair value calculated in accordance with FASB ASC Topic 718. For a description of the assumptions made by the Company when calculating such grant date fair value, refer to Note 1 to the Company's consolidated financial statements as set forth in the Company's Form 10-K filed November 19, 2015.

(3) Amount represents car allowance of \$14,192, \$10,809 of life insurance premiums paid by the Company for which Mr. Whang's spouse is the beneficiary and Company match under the 401(k) plan of \$3,900.

(4) Amount represents \$10,808 of life insurance premiums paid by the Company for which Mr. Whang's spouse is the beneficiary and Company match under the 401(k) plan of \$3,825.

(5) Amount represents car allowance of \$14,192, \$10,809 of life insurance premiums paid by the Company for which Mr. Whang's spouse is the beneficiary and Company match under the 401(k) plan of \$3,750.

(6) Represents Company match under the 2013, 2014 and 2015 401(k) plan of \$3,750, \$3,818, and \$3,900 respectively, and car allowance for 2013, 2014 and 2015 of \$7,885, \$0, and \$7,885, respectively. Fiscal 2013, 2014 and 2015 amounts also include \$2,800, \$2,800, and \$700 of travel incentive payments, respectively.

(7) Represents Company contribution under the 2013, 2014 and 2015 Netherlands pension plan of \$27,824, \$29,865, and \$18,877, respectively, and other (primarily car allowance) of \$33,477, \$42,591 and \$28,302 in fiscal year 2013, 2014 and 2015, respectively.

In June 2013, the executive officers voluntarily cancelled certain outstanding stock options. Mr Whang voluntarily cancelled 30,000 options with an exercise price of \$14.79 and 26,667 options with an exercise price of \$17.12. Mr. Pentinga voluntarily cancelled 3,125 options with an exercise price of \$14.79 and 23,333 options with an exercise price of \$17.12. Mr. Anderson voluntarily cancelled 15,000 options with an exercise price of \$14.79 and 11,667 options with an exercise price of \$17.12. Also in June 2013, the Board of Directors, based upon the recommendation of the Compensation and Stock Option Committee, accelerated the vesting of certain outstanding option awards.

50% of options with an exercise price of \$2.95 vested effective June 30, 2013, and the remainder of such options will continue to vest according to the original vesting schedule (25% on each anniversary date of the original grant).

All options with exercise prices of \$6.15 and \$7.98 per share vested effective June 30, 2013.

Mr. Whang received accelerated vesting of 25,000, 5,000 and 27,500 options with exercise prices of \$2.95, \$6.15 and \$7.98 per share, respectively.

Mr. Pentinga received accelerated vesting of 25,000, 2,500 and 63,750 options with exercise prices of \$2.95, \$6.15 and \$7.98 per share, respectively.

Mr. Anderson received accelerated vesting of 20,000, 2,500 and 12,500 options with exercise prices of \$2.95, \$6.15 and \$7.98 per share, respectively.

GRANTS OF PLAN-BASED AWARDS

The following table sets forth grants of plan-based awards made to our named executive officers in fiscal 2015 and related fair value compensation for fiscal 2015:

Name	Grant Date (1)	Date Grant Approved by Board (1)	Threshold (\$)	Target (\$)	Maximum (\$)	Estimated Future Payouts Under Non-Equity Incentive Plan Awards (4)			
						All Other Stock Awards: Number of Shares of Stock or Units (#) (1)	All Other Option Awards: Number of Securities Underlying Options (#) (1)	Exercise or Base Price of Options Awards (\$/Sh) (2)	Grant Date Fair Value of Stock and Option Awards (\$) (3)
Jong S. Whang	11/19/2014	11/19/2014	\$64,000	\$320,000	\$480,000	—	50,000	\$9.98	\$304,495
Fokko Pentinga	11/19/2014	11/19/2014	\$61,050	\$305,250	\$457,875	—	50,000	\$9.98	\$304,495
Bradley C. Anderson	11/19/2014	11/19/2014	\$32,065	\$160,325	\$240,488	—	35,000	\$9.98	\$213,147

(1) The stock and option awards listed above vest in four (4) installments in equal amounts on each of the first four anniversaries of the date of grant.

(2) The exercise price is equal to the closing price of the Company's Common Stock on the previous trading day before the grant.

(3) See Stock-Based Compensation under Note 1 to the consolidated financial statements included in our Annual Report on Form 10-K for the year ended September 30, 2015 filed with the SEC November 19, 2015 for the

assumptions used to value equity based compensation.

- (4) Estimated amounts are based on the annual base salaries of \$400,000, \$407,000 and \$291,500 for Messieurs Whang, Peninga and Anderson, respectively.

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EQUITY COMPENSATION PLAN INFORMATION

The following table sets forth information regarding grants of plan-based option awards held by our named executive officers as of September 30, 2015:

OUTSTANDING EQUITY AWARDS AT FISCAL YEAR-END

Option Awards

Stock Awards