

BIMINI CAPITAL MANAGEMENT, INC.
Form DEF 14A
April 30, 2009

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

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

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

- Preliminary Proxy Statement
- Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))
- Definitive Proxy Statement
- Definitive Additional Materials
- Soliciting Material Pursuant to §240.14a-12

BIMINI CAPITAL MANAGEMENT, INC.
(Name of Registrant as Specified In Its Charter)

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

Payment of Filing Fee (Check the appropriate box):

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

(1) Title of each class of securities to which transaction applies:

(2) Aggregate number of securities to which transaction applies:

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(4) Proposed maximum aggregate value of transaction:

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Fee paid previously with preliminary materials.

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(1) Amount Previously Paid:

(2) Form, Schedule or Registration Statement No.:

(3) Filing Party:

(4) Date Filed:

3305 Flamingo Drive, Vero Beach, Florida, 32963

April 30, 2009

Dear Stockholder,

You are cordially invited to attend the 2009 Annual Meeting of Stockholders of Bimini Capital Management, Inc. to be held at 8:00 a.m., local time, on June 16, 2009, at the office of Bimini Capital Management, Inc., 3305 Flamingo Drive, Vero Beach, Florida 32963. We look forward to greeting personally those stockholders that will be able to attend.

The following pages include a formal Notice of Annual Meeting of Stockholders and the Proxy Statement describing the matters expected to be acted upon at the meeting. We urge you to review these materials carefully and to take part in the affairs of the company by voting on the matters described in the Proxy Statement.

Your vote is important. Whether you plan to attend the meeting in person or not, we hope you will grant a proxy to vote your shares as soon as possible. Instructions for voting your shares are on the enclosed proxy card or vote instruction form. This will ensure representation of your shares if you are unable to attend. If you attend the meeting, you may continue to have your shares voted as instructed in the proxy or you may withdraw your proxy at the meeting and vote your shares in person.

Sincerely,

Robert E. Cauley
Chairman of the Board and Chief
Executive Officer

BIMINI CAPITAL MANAGEMENT, INC.
3305 Flamingo Drive
Vero Beach, Florida 32963

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS
TO BE HELD ON JUNE 16, 2009

To Our Stockholders:

We will hold the 2009 Annual Meeting of Stockholders (the "Annual Meeting") of Bimini Capital Management, Inc., a Maryland corporation (the "Company"), at the office of Bimini Capital Management, Inc., 3305 Flamingo Drive, Vero Beach, Florida 32963, on Tuesday, June 16, 2009, at 8:00 a.m., local time, for the following purposes:

1. To elect one Class III director to serve until the 2012 Annual Meeting of Stockholders and until his successor is duly elected and qualified;
2. To elect one Class I director to serve until the 2010 Annual Meeting of Stockholders and until his successor is duly elected and qualified;
3. To ratify the selection of BDO Seidman, LLP as our independent registered public accounting firm for the fiscal year ending December 31, 2009; and
4. To consider and vote upon such other business as may properly come before the Annual Meeting or any adjournments or postponements thereof.

The Board of Directors has fixed the close of business on May 1, 2009, as the record date for the Annual Meeting. Only holders of record of the Company's Class A Common Stock and Class B Common Stock as of that date are entitled to notice of, and to vote at, the Annual Meeting and any adjournment or postponement thereof. A list of stockholders entitled to vote at the Annual Meeting will be available at the Annual Meeting.

Admission to the Annual Meeting will be by admission ticket only. If you are a stockholder of record and plan to attend, tear off the admission ticket from the top half of your proxy card and bring it and a photo ID with you so that you may gain admission to the meeting.

If your shares are held through a broker, please contact your broker and request that the broker obtain an admission ticket for you or provide you with evidence of your share ownership, which will gain you admission to the Annual Meeting.

By Order of the Board of Directors,

Robert E. Cauley
Chairman of the Board and CEO

Vero Beach, Florida
April 30, 2009

BIMINI CAPITAL MANAGEMENT, INC.
3305 Flamingo Drive
Vero Beach, Florida 32963
(772) 231-1400

PROXY STATEMENT
FOR 2009 ANNUAL MEETING OF STOCKHOLDERS
TO BE HELD ON JUNE 16, 2009

This Proxy Statement is being furnished to the holders of Class A Common Stock and Class B Common Stock of Bimini Capital Management, Inc., a Maryland corporation (the “Company”), in connection with the solicitation by the Company’s Board of Directors of proxies to be voted at the 2009 Annual Meeting of Stockholders of the Company (the “Annual Meeting”) to be held at the office of Bimini Capital Management, Inc., 3305 Flamingo Drive, Vero Beach, Florida 32963, on Tuesday, June 16, 2009, at 8:00 a.m., local time, or at any postponement or adjournment of the meeting, for the purposes set forth in the accompanying Notice of Annual Meeting.

This Proxy Statement and the enclosed proxy card or vote instruction form are being mailed to stockholders on or about April 30, 2009. If the enclosed proxy card or vote instruction form is executed and returned, it nevertheless may be revoked by the stockholder at any time prior to its use by filing with the Secretary of the Company a written revocation or a duly executed proxy bearing a later date or by submitting revised instructions to us by telephone or via the Internet, in accordance with the instructions on the enclosed proxy card or vote instruction form, as to how you would like your shares voted. A stockholder who attends the Annual Meeting in person may revoke his or her proxy at that time and vote in person if so desired.

Admission to the Annual Meeting will be by admission ticket only. If you are a stockholder of record and plan to attend, tear off the admission ticket from the top half of your proxy card and bring it and a photo ID with you so that you may gain admission to the meeting. If your shares are held through a broker, please contact your broker and request that the broker obtain an admission ticket for you or provide you with evidence of your share ownership, which will gain you admission to the Annual Meeting.

Unless revoked or unless contrary instructions are given, each proxy that is properly signed, dated and returned or authorized by telephone or Internet in accordance with the instructions on the enclosed proxy card or vote instruction form prior to the start of the Annual Meeting, will be voted as indicated on the proxy card or via telephone or the Internet and if no indication is made, each such proxy will be deemed to grant authority to vote, as applicable:

Proposal 1: FOR the election of the Class III director nominee to serve until the 2012 Annual Meeting of Stockholders and until his successor is duly elected and qualified (the “Class III Director Election Proposal”);

Proposal 2: FOR the election of the Class I director nominee to serve until the 2010 Annual Meeting of Stockholders and until his successor is duly elected and qualified (the “Class I Director Election Proposal”);

Proposal 3: FOR the ratification of BDO Seidman, LLP as our independent registered public accounting firm for the fiscal year ending December 31, 2009 (the “Auditor Proposal”); and

At the discretion of the persons named in the enclosed Proxy Card, on any other matter that may properly come before the Annual Meeting or any adjournment or postponement of the meeting.

THE BOARD OF DIRECTORS OF THE COMPANY RECOMMENDS THAT STOCKHOLDERS VOTE "FOR" THE ELECTION OF EACH OF THE NOMINEES LISTED UNDER THE CLASS III DIRECTOR ELECTION PROPOSAL AND THE CLASS I DIRECTOR ELECTION PROPOSAL AND "FOR" THE AUDITOR PROPOSAL.

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FREQUENTLY ASKED QUESTIONS

When and where is the Annual Meeting?

The Annual Meeting will be held at the office of Bimini Capital Management, Inc., 3305 Flamingo Drive, Vero Beach, Florida 32963, on Tuesday, June 16, 2009, at 8:00 a.m., local time.

Why am I receiving these proxy materials?

You are receiving these proxy materials in connection with the solicitation by our Board of Directors of proxies to be voted at the 2009 Annual Meeting of Stockholders.

If your shares were registered directly in your name with our transfer agent, Continental Stock Transfer & Trust Company, as of the close of business on May 1, 2009, you are considered a stockholder of record, and we have sent you this Notice of Annual Meeting and Proxy Statement, together with the enclosed proxy card and our 2008 Annual Report.

If your shares were held in the name of a bank, brokerage account or other nominee as of the close of business on May 1, 2009, you are considered a beneficial owner of the shares held in street name. Your bank, broker or other nominee has sent you this Notice of Annual Meeting and Proxy Statement, together with the enclosed vote instruction form and our 2008 Annual Report.

You have the right to direct your bank, broker or other nominee on how to vote your shares by completing and returning the vote instruction form or by instructing your bank, broker or other nominee by following the telephone or Internet voting instructions provided.

What am I voting on?

You are voting on three proposals. Details of each proposal are included in the next section entitled “Matters to Be Considered at the Annual Meeting.”

- § Proposal 1: To elect one Class III director (nominee Robert J. Dwyer) to serve until the 2012 Annual Meeting of Stockholders and until his successor is duly elected and qualified;
- § Proposal 2: To elect one Class I director (nominee Frank E. Jaumot) to serve until the 2010 Annual Meeting of Stockholders and until his successor is duly elected and qualified; and
- § Proposal 3: To ratify the selection of BDO Seidman, LLP as our independent registered public accounting firm for the year ending December 31, 2009.

What are the recommendations of the Board of Directors on how I should vote my shares?

The Board recommends that you vote your shares as follows:

- § Proposal 1: FOR the election of the Class III director nominee to serve until the 2012 Annual Meeting of Stockholders and until his successor is duly elected and qualified;
- § Proposal 2: FOR the election of the Class I director nominee to serve until the 2010 Annual Meeting of Stockholders and until his successor is duly elected and qualified; and
- § Proposal 3: FOR the ratification of BDO Seidman, LLP as our independent registered public accounting firm for the year ending December 31, 2009.

What are my choices when voting?

- § Proposal 1: You may cast your vote in favor of the election the Class III director nominee or you may elect to abstain from voting your shares.
- § Proposal 2: You may cast your vote in favor of the election of the Class I director nominee or you may elect to abstain from voting your shares.
- § Proposal 3: You may cast your vote in favor of the ratification of BDO Seidman, LLP or you may elect to abstain from voting your shares.

How will my shares be voted if I do not specify how they should be voted?

The Board of Directors is asking for your proxy. Giving your proxy means that you authorize us to vote your shares at the meeting in the manner you direct. If you sign and return the enclosed proxy card, but do not specify how to vote, your shares will be voted as follows:

- § Proposal 1: FOR the election of the Class III director nominee to serve until the 2012 Annual Meeting of Stockholders and until his successor is duly elected and qualified;
- § Proposal 2: FOR the election of the Class I director nominee to serve until the 2010 Annual Meeting of Stockholders and until his successor is duly elected and qualified; and
- § Proposal 3: FOR the ratification of BDO Seidman, LLP as our independent registered public accounting firm for the year ending December 31, 2009.

How do I vote?

You may grant a proxy to vote your shares by any one of the following methods:

- § By mail: Mark your votes, sign and return the proxy card or vote instruction form in the postage paid envelope provided.
- § By Internet: Log onto the website indicated on your proxy card or vote instruction form and follow the instructions provided.
- § By telephone: Call the toll-free number shown on your proxy card or vote instruction form and follow the voice prompts.

Alternatively, you may attend the Annual Meeting in person and use a ballot to cast your vote. If you grant a proxy by the Internet or by telephone to vote your shares, you do not need to send in the proxy card or vote instruction form. The deadline for Internet and telephone proxy authorization will be 11:59 PM, Eastern Time, on Thursday, June 11, 2009. If your shares are held in the name of a bank, broker or other nominee, and you wish to vote your shares at the Annual Meeting, you will need to contact your bank, broker or other nominee to obtain a legal proxy form that you must bring with you to the meeting to exchange for a ballot.

What vote is needed for the proposals to be adopted?

As of the close of business on the record date, May 1, 2009, there were 26,905,517 shares of the Company's Class A Common Stock and 319,388 shares of the Company's Class B Common Stock issued and outstanding, representing the only classes of voting stock of the Company issued and outstanding as of such date. Each holder of Class A Common Stock and each holder of Class B Common Stock is entitled to cast one vote per share of Class A Common Stock or Class B Common Stock held on each matter that properly comes before the Annual Meeting. Holders of shares of Class A Common Stock and Class B Common Stock vote together as one class in all matters, except that matters that would adversely affect the rights and preferences of only one class must be separately approved by the holders of the adversely affected class.

- § Quorum: In order to conduct the Annual Meeting, the presence, in person or by proxy, of stockholders entitled to cast a majority of all the votes entitled to be cast at the Annual Meeting is required. This is referred to as a quorum. If you submit a properly executed proxy card or authorize a proxy by telephone or by Internet, you will be treated as present at the Annual Meeting for purposes of determining the presence of a quorum. Proxy cards marked as abstaining and broker non-votes on any proposal to be acted on by stockholders will be treated as present at the Annual Meeting for purposes of determining the presence of a quorum.
- § Proposals: The vote of a plurality of all of the votes cast at a meeting at which a quorum is present is necessary for the election of directors. For purposes of the election of directors, abstentions will not be counted as votes cast and will have no effect on the result of the vote. The affirmative vote of a majority of all of the votes entitled to be cast on the matter is required for approval of the Auditor Proposal. For purposes of the vote on the Auditor Proposal, abstentions and broker non-votes will have the same effect as votes against the proposal.

Who will count and certify the votes?

Representatives of Broadridge Financial Solutions, Inc. and our corporate secretary and controller will count the votes and certify the election results. The results will be published in our Quarterly Report on Form 10-Q for the second quarter of 2009.

What does it mean if I receive more than one proxy card?

It means you have multiple accounts registered with our transfer agent or with stock brokers or other nominees. Please complete and provide your voting instructions for all proxy cards and vote instruction forms that you receive.

Will my shares be voted if I do not sign and return my proxy card?

Possibly. If your shares are held in street name and you do not instruct your broker or other nominee how to vote your shares, your broker or nominee may either use its discretion to vote your shares on “routine matters” including each of the proposals at this meeting or leave your shares unvoted. For any “non-routine matters” considered at the meeting, your broker or other nominee would not be able to vote on such matters. We encourage you to provide instructions to your nominee by completing the vote instruction form or proxy card that you have received. This will ensure that your shares are voted at the Annual Meeting as you direct.

How can I change my vote?

You have the right to revoke your proxy at any time before the Annual Meeting. If you are a holder of record, you may contact our corporate secretary and request that another proxy card be sent to you. Alternatively, you may use the Internet or the telephone to authorize a new proxy and revoke your old proxy, even if you previously mailed in a proxy card. The latest-dated, properly completed proxy that you submit, whether through the Internet, by telephone or by mail will count as your vote. Please note that if you submit a later proxy authorization by mail, your re-authorization will not be effective unless it is received by our corporate secretary prior to the start of the Annual Meeting. If your shares are held in street name, you must contact your bank, broker or other nominee and follow their procedures for changing your vote instructions.

How can I attend the Annual Meeting?

Admission to the Annual Meeting is limited to stockholders who are entitled to vote or their authorized representatives. If you are a holder of record and wish to attend the Annual Meeting, tear off the Admission Ticket attached to the top half of your proxy card and bring it and a photo ID with you to gain admission to the meeting.

If your shares are held in the name of a bank, broker or other nominee, and you wish to attend the Annual Meeting, you must bring other proof of ownership, such as an account statement, that clearly shows that you held Bimini Capital Management, Inc. common stock on the record date, or a legal proxy obtained from your bank, broker or other nominee. You must also bring a photo ID. Alternatively, you may obtain an admission ticket by sending your request and a copy of your proof of ownership to our corporate secretary at Bimini Capital Management, Inc., 3305 Flamingo Drive, Vero Beach, Florida 32963 provided that your request is received by the Company by Tuesday, June 11, 2009.

No cameras, recording equipment, electronic devices, large bags, backpacks, briefcases or packages will be permitted in the meeting room or adjacent areas, and other items will be subject to search.

Can I view or receive these materials electronically?

This Proxy Statement and our 2008 Annual Report are available online at www.biminicapital.com. From the home page, select the “SEC Filings” tab to view or download the materials.

If you hold your shares in street name, you must contact your bank, broker or other nominee to consent to electronic delivery. By choosing to access your proxy materials electronically in the future, you will save the company the cost of printing and mailing these documents to you and help conserve natural resources.

How do I obtain a copy of materials related to corporate governance?

Our Corporate Governance Guidelines, the charters of each standing committee of our Board of Directors, our Code of Business Conduct and Ethics, our Code of Ethics for Senior Financial Officers and other materials related to our corporate governance are published on the Corporate Governance section of our website at www.biminicapital.com. In addition, this information is available in print to any stockholder who requests it by contacting our corporate secretary at Bimini Capital Management, Inc., 3305 Flamingo Drive, Vero Beach, Florida 32963.

Who are the proxy solicitors and what are the solicitation expenses?

Our Board of Directors is asking for your proxy and we will pay all of the costs of asking for stockholder proxies. We can ask for proxies through the mail or personally by telephone or the Internet. We may use directors, officers and regular employees of the Company to ask for proxies. These people do not receive additional compensation for these services. We will reimburse brokerage firms and other custodians, nominees and fiduciaries for their reasonable out-of-pocket expenses for forwarding solicitation material to the beneficial owners of the Company's common stock held of record by them. Broadridge Financial Solutions, Inc. assists us with certain administrative functions related to the distribution of the proxy, but is not acting as a solicitor.

How can I submit a proposal for consideration at the 2010 Annual Meeting?

To be considered for the 2010 Annual Meeting of Stockholders, stockholder proposals must be submitted in writing to our corporate secretary at Bimini Capital Management, Inc., 3305 Flamingo Drive, Vero Beach, Florida 32963. No proposal can be included in our proxy statement for the 2010 Annual Meeting of Stockholders unless it is received by our corporate secretary no later than December 31, 2009. The proposal must also meet the other requirements of the rules of the Securities and Exchange Commission relating to stockholder proposals.

Any stockholder whose proposal is not included in our proxy statement relating to the 2010 Annual Meeting of Stockholders and who intends to present a matter for consideration at such meeting must give notice to our corporate secretary in accordance with Section 1.11 of our Amended and Restated Bylaws and such matter must otherwise be a proper matter for stockholder action. For our 2010 Annual Meeting of Stockholders, any such notice must be received by our corporate secretary no later than April 17, 2010, and no earlier than March 18, 2010.

How can I recommend someone as a candidate for director?

A stockholder who wishes to recommend a candidate for director of the Company may write to Chair, Corporate Governance and Nominating Committee of the Board of Directors, c/o Corporate Secretary, Bimini Capital Management, Inc., 3305 Flamingo Drive, Vero Beach, Florida 32963.

To be effective for consideration at the 2010 Annual Meeting of Stockholders, the recommendation must be received by our corporate secretary no later than April 17, 2010, and no earlier than March 18, 2010 and must include information about the nominating stockholder and the nominee required to be included in a proxy statement under the rules of the Securities and Exchange Commission.

MATTERS TO BE CONSIDERED AT THE ANNUAL MEETING

PROPOSAL 1: TO ELECT ONE CLASS III DIRECTOR TO SERVE UNTIL THE 2012 ANNUAL MEETING OF STOCKHOLDERS AND UNTIL HIS SUCCESSOR IS DULY ELECTED AND QUALIFIED.

One director is nominated for re-election as a Class III director to serve until the 2012 Annual Meeting of Stockholders and until his successor has been duly elected and qualified, or until his earlier retirement, death or resignation. It is intended that the shares represented by each proxy for which no voting instructions have been given will be voted for the nominee for director set forth below, who is an incumbent director, or for any substitute nominee or nominees designated by our Board of Directors in the event the nominee becomes unavailable for election. The principal occupation of, and certain other information regarding, the Class III director nominee, as of April 30, 2009, is set forth below.

THE BOARD OF DIRECTORS RECOMMENDS A VOTE FOR
THE ELECTION OF THE CLASS III DIRECTOR NOMINEE.

Class III Director Nominee — Term Expires in 2012

ROBERT J. DWYER, 64, has been a director of the Company since June 2007. He retired from Morgan Stanley Dean Witter in 1999 as Executive Vice President-National Sales Director, having served in that role from 1990 until his retirement. Prior to that, Mr. Dwyer was Director of Taxable Fixed Income for Morgan Stanley Dean Witter. He currently serves on the Board of Directors of the Bank of New York Ivy Multi-Strategy Hedge Funds.

Mr. Dwyer has numerous charitable and civic interests. He currently serves as Chairman of the Board of Trustees for Niagara University and is on the investment committee for the Vincentian Order. He also is Chairman of the Dwyer Family Foundation, which supports a number of health and social programs. Mr. Dwyer has also served as a member of the Board of Directors of MasTec, Inc. since October 2004.

PROPOSAL 2: TO ELECT ONE CLASS I DIRECTOR TO SERVE UNTIL THE 2010 ANNUAL MEETING OF STOCKHOLDERS AND UNTIL HIS SUCCESSOR IS DULY ELECTED AND QUALIFIED.

One director is nominated for election as a Class I director to serve until the 2010 Annual Meeting of Stockholders and until his successor has been duly elected and qualified, or until his earlier retirement, death or resignation. It is intended that the shares represented by each proxy for which no voting instructions have been given will be voted for the nominee for director set forth below who is an incumbent director, or for any substitute nominee or nominees designated by our Board of Directors in the event the nominee becomes unavailable for election. The principal occupation of, and certain other information regarding, the Class I director nominee and our continuing directors, as of April 30, 2009, is set forth below.

THE BOARD OF DIRECTORS RECOMMENDS A VOTE FOR
THE ELECTION OF THE CLASS I DIRECTOR NOMINEE.

Class I Director Nominee — Term Expires in 2010

FRANK E. JAUMOT, 52, has been a director of the Company since April 24, 2009. He has been the Director of Accounting and Auditing for the certified public accounting firm of Ahearn, Jasco & Company, P.A. since 1991, and is a shareholder in that firm. From 1979 to 1991, Mr. Jaumot was associated with Deloitte & Touche LLP. Mr. Jaumot is a certified public accountant in Florida and Ohio and is a member of the American Institute of Certified Public Accountants and the Florida Institute of Certified Public Accountants. He also is a member of the Board of Directors of MasTec, Inc. and Protective Products of America, Inc., and serves on the audit committees and the compensation committees for both. Mr. Jaumot is also on the Board of Directors for Junior Achievement of South Florida, Inc., a not-for-profit entity.

Continuing Class II Director — Term Expires in 2011

ROBERT E. CAULEY, 49, has been a director of the Company since its inception in 2003. He is currently Chairman of the Board and Chief Executive Officer of the Company and is one of the Company's founders. Prior to co-founding the Company, he was Vice President, Portfolio Manager at Federated Investment Management Company in Pittsburgh, Pennsylvania, where, from 1996 until September 2003, he served as a lead portfolio manager, co-manager, or assistant portfolio manager of \$4.25 billion (base capital, unlevered amount) in mortgage and asset backed securities funds. From 1994 to 1996, he was an associate at Lehman Brothers in the asset-backed structuri