



Merchants Bancorp
11555 N. Meridian Street, Suite 400
Carmel, IN 46032

Board of Directors

Nominating and Corporate Governance Committee Charter

Nominating and Corporate Governance Committee Charter

1. PURPOSE

The purpose of the Nominating and Corporate Governance Committee (the “Committee”) is to assist the Board of Directors (the “Board”) of Merchants Bancorp (the “Company”) by: (a) identifying individuals qualified to become Board members and recommending that the Board select a group of director nominees for each annual meeting of the Company’s shareholders; (b) reviewing the qualifications and independence of the members of the Board and its various committees on a regular periodic basis and making any recommendations the Committee members may deem appropriate from time to time concerning any recommended changes in the composition of the Board and its committees; (c) ensuring that the Audit, Compensation and Nominating Committees of the Board shall have the benefit of qualified and experienced independent directors, and that this Charter remains consistent with sound corporate governance practices and with the requirements of applicable laws, regulations, and the listing requirements of The Nasdaq Stock Market LLC (“Nasdaq Rules”), and any recommendations of the federal banking regulators regarding general best corporate governance practices; and (d) developing and recommending to the Board a set of effective corporate governance policies and procedures applicable to the Company.

2. MEMBERSHIP

- a. The Committee shall consist of three (3) or more directors. Each member of the Committee shall be independent in accordance with the requirements of Rule 10A-3 of the Securities Exchange Act of 1934 and the Nasdaq Rules.
- b. The members of the Committee shall be appointed annually by the Board at the first meeting of the Board after the Company’s annual meeting of shareholders and shall serve until their successors are appointed or until their earlier death, resignation or removal.
- c. Committee members shall serve at the pleasure of the Board and may be removed, with or without cause, by a majority vote of the directors present at a meeting of the Board. Any Committee member may resign by giving written notice to the Chairman of the Board or the Secretary of the Company. Unless the notice specifies a later time, such resignation shall become effective upon receipt by the Chairman of the Board or the Secretary of the Company. If the resignation of an Committee member is effective at a later time, the Board may appoint a successor to take office when the resignation becomes effective.

3. DUTIES AND RESPONSIBILITIES

- a. The Committee shall have the following responsibilities, and the power and authority to carry out such responsibilities, for and on behalf of the Board:

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- i. To identify individuals qualified to become board members, review and screen possible candidates identified by the Committee, and make recommendations to the Board regarding such candidates.
 - ii. Annually recommend a group of nominees to the Board with respect to nominations for the Board at the annual meeting of the Company's shareholders.
 - iii. Periodically review and assess the standards for determining outside director independence consistent with the requirements of applicable laws, regulations, and the Nasdaq Rules and if deemed appropriate by the Committee, make recommendations to the Board with respect thereto.
 - iv. Annually assess the independence of outside directors and recommend action to effect changes in incumbent directors if deemed appropriate.
 - v. Recommend to the Board on an annual basis an independent director to serve as Chairman or Lead Director, as applicable.
 - vi. Review shareholder proposals duly and properly submitted to the Company and any proposed amendments to the Company's Articles of Incorporation and By-Laws and recommend appropriate action to the Board.
 - vii. Generally advise the Board on corporate governance matters, including reviewing and assessing the Company's compliance with the requirements of applicable laws, regulations, the Nasdaq Rules, under the Sarbanes-Oxley Act, and under state and federal banking laws.
- b. Further, the Committee shall have the power and authority to conduct the following activities, to the extent the Committee determines any such activity is necessary or advisable:
- i. Conduct a performance evaluation of the Board, including requesting and reviewing comments from all directors concerning the Board's performance and making recommendations for improvement to the Board.
 - ii. Advise and make recommendations to the Board on the appropriate size and composition of the Board.
 - iii. Advise and make recommendations to the Board on (1) the qualifications and independence of the members of the Board; (2) committee member qualifications; (3) committee member appointments and removals, (4) committee structure and operations (including authority to delegate to subcommittees), and (5) committee reporting to the Board.
 - iv. Provide an orientation program for new directors and a continuing education program for all directors.

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- c. In addition to (a) and (b) above, the Committee shall have the power and authority to perform any other activities consistent with this Charter, the Company's By-Laws, and applicable laws and regulations as the Committee or the Board deems appropriate.

4. OUTSIDE ADVISORS

The Committee shall have the authority, in its sole discretion, to retain and obtain the advice and assistance of independent outside counsel, any search firm to be used to identify director candidates, and such other advisors as it deems necessary to fulfill its duties and responsibilities under this Charter. The Committee shall set the compensation, and oversee the work, of any outside counsel, search firm, and other advisors.

5. STRUCTURE AND OPERATIONS

- a. Unless a Chairperson is elected by a majority vote of the full Board, the members of the Committee shall designate a Chairperson by majority vote of the full Committee membership. The Chairperson shall preside at all meetings of the Committee and, in consultation with other members of the Committee, set the frequency, length, and agenda of each meeting.
- b. The Committee shall meet no less than once per year, at such times and places as it deems necessary to fulfill its responsibilities. Written minutes shall be kept for all meetings. The Committee shall report regularly to the Board on its discussions and actions, including any significant issues or concerns that arise at its meetings, and shall make recommendations to the Board as appropriate.
- c. The Committee may request any officer or employee of the Company or its subsidiaries, outside counsel, or any other advisor to attend a meeting of the Committee or to meet with any members of, or advisors to, the Committee.
- d. The Committee shall review this Charter at least annually and recommend any proposed changes to the Board for approval.

6. DELEGATION OF AUTHORITY

The Committee shall have the authority to delegate any of its responsibilities, along with the authority to take action in relation to such responsibilities, to one or more subcommittees as the Committee may deem appropriate in its sole discretion.

February 21, 2019