
Section 1: 8-K (8-K)

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

FORM 8-K

CURRENT REPORT

**PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934**

Date of Report (Date of earliest event reported): **February 22, 2018**

Merchants Bancorp

(Exact Name of Registrant as Specified in its Charter)

Indiana
(State or Other Jurisdiction
of Incorporation)

001-38258
(Commission
File Number)

20-5747400
(IRS Employer
Identification No.)

**11555 North Meridian Street, Suite 400
Carmel, Indiana 46032**
(Address of Principal Executive Offices) (Zip Code)

(317) 569-7420
(Registrant's Telephone Number, Including Area Code)

Not Applicable
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 5.02. Departure of Directors of Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers

On February 22, 2018, the Board of Directors of Merchants Bancorp (the “Company”) approved forms of award agreements for use in connection with the Company’s issuance of non-qualified stock options, incentive stock options, restricted stock units, and restricted stock awards under the Company’s 2017 Equity Incentive Plan. The forms of award agreements for non-qualified stock options and incentive stock options provide that the vesting period of any option shall not be less than one year and that no option is exercisable after the earlier of ten years, the participant’s termination of service with the Company for cause, or six months after the participant’s termination of service with the Company without cause. The forms of award agreements for restricted stock units and restricted stock awards provide that the vesting period of any restricted stock unit or restricted stock shall not be less than one year, with the exception of the occurrence of certain change in control events, that no restricted stock unit or restricted stock is entitled to vote or receive dividends until vested, and any stock unit or stock that has not vested prior to a participant’s termination of service with the Company is forfeited.

The description of the forms of award agreements provided above is qualified in its entirety by reference to the full terms of award agreements which have been attached as Exhibits 10.1 through 10.4 to this Current Report on Form 8-K. The Company’s 2017 Equity Incentive Plan was previously filed as Exhibit 10.16 to the Company’s Registration Statement on Form S-1 dated September 25, 2017, as amended.

Item 8.01 Other Events.

On February 22, 2018, the Company issued a press release announcing that the Company’s Board of Directors declared a quarterly cash dividend of \$0.06 per share on the Company’s outstanding shares of common stock. The dividend is payable April 2, 2018 to shareholders of record on March 15, 2018. The press release has been attached as Exhibit 99.1 to this Current Report on Form 8-K.

Also on February 22, 2018, the Company’s Board of Directors declared that the Company’s annual meeting of shareholders will be held on Tuesday, May 15, 2018.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

Exhibit No.	Description
10.1	Form of Award Agreement for Non-Qualified Stock Options under the 2017 Equity Incentive Plan.
10.2	Form of Award Agreement for Incentive Stock Options under the 2017 Equity Incentive Plan.
10.3	Form of Award Agreement for Restricted Stock Unit Awards under the 2017 Equity Incentive Plan.
10.4	Form of Award Agreement for Restricted Stock Awards under the 2017 Equity Incentive Plan.
99.1	Press Release issued by Merchants Bancorp February 22, 2018.

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SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

MERCHANTS BANCORP

Date: February 22, 2018

By: /s/ Michael F. Petrie
 Name: Michael F. Petrie
 Title: Chairman and Chief Executive Officer

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Section 2: EX-10.1 (EX-10.1)

Exhibit 10.1

MERCHANTS BANCORP 2017 EQUITY INCENTIVE PLAN

NON-QUALIFIED STOCK OPTION AWARD TERMS

The Participant specified below has been granted this Non-Qualified Stock Option (the “Option”) by Merchants Bancorp, an Indiana corporation (the “Company”), under the terms of the Merchants Bancorp 2017 Equity Incentive Plan (the “Plan”). The Option shall be subject to the Plan as well as the following terms and conditions (the “Award Agreement”):

Section 1. Award. In accordance with the Plan, the Company hereby grants this Option for the number of Covered Shares set forth in **Section 2** to the Participant, subject to the Award Agreement.

Section 2. Terms of Option Award. The following words and phrases relating to the grant of the Option shall have the following meanings:

- (a) The “Participant” is [].
- (b) The “Grant Date” is [].
- (c) The number of “Covered Shares” is [] shares of the Company’s common stock (the “Stock”).
- (d) The “Exercise Price” is \$[] per Covered Share.

Except where the context clearly implies to the contrary, any capitalized term in this Award Agreement shall have the meaning ascribed to that term under the Plan.

Section 3. Non-Qualified Stock Option. The Option is not intended to constitute an “incentive stock option” as that term is used in Code Section 422.

Section 4. Vesting. Subject to the limitations of the Award Agreement and the requirement that each award under the Plan have a minimum vesting period of at least one year, each installment of Covered Shares of the Option (“Installment”) shall become vested and exercisable on and after the “Vesting Date” for such Installment as described in the following schedule (but only if the Participant’s Termination of Service has not occurred before the Vesting Date):

<u>Installment</u>	<u>Vesting Date Applicable to Installment</u>

The Option may be exercised on or after a Termination of Service only as to that portion of Covered Shares for which it was exercisable immediately prior to the Termination of Service, or became exercisable on the date of the Termination of Service.

Notwithstanding the foregoing provisions of this **Section 4**, subject to any applicable forfeiture or expiration provisions of the Plan or this Award Agreement, the Option shall become fully and immediately vested upon a Change in Control, but only if (i) the Plan and this Award Agreement are not the obligations of the entity—whether the Company, a successor thereto or an assignee thereof—that conducts following a Change in Control substantially all of the business conducted by the Company and its Subsidiaries immediately prior to such Change in Control, or (ii) the Plan and this Award Agreement are the obligations of the entity—whether the Company, a successor thereto or an assignee thereof—that conducts following a Change in Control substantially all of the business conducted by the Company and its Subsidiaries immediately prior to such Change in Control and the Participant incurs a Termination of Service without Cause following such Change in Control.

Section 5. Expiration. The Option shall not be exercisable after the Company’s close of business on the last business day that occurs prior to the Expiration Date. The “Expiration Date” shall be the earliest to occur of:

- (a) the ten-year anniversary of the Grant Date;
- (b) the date upon which a Termination of Service occurs, if the Participant’s employment with, or service to, the Company or any Subsidiary is terminated for Cause; or
- (c) the six-month anniversary of the date upon which a Termination of Service occurs, if the Participant’s employment with, or service to, the Company or any Subsidiary is terminated for any reason other than Cause.

Section 6. Option Exercise.

(a) *Method of Exercise.* Subject to the Award Agreement and the Plan, the Option may be exercised in whole or in part by filing an exercise notice with the Secretary of the Company (or other party established by the Committee) at its corporate headquarters prior to the Company's close of business on the last business day that occurs prior to the Expiration Date. The notice requirement may only be satisfied by the method prescribed by the Committee; *provided, however*, the Committee shall retain the right to limit or expand the method of exercise to any one or more methods with respect to any individual Participant or group or class of Participants. Such notice shall specify the number of Covered Shares which the Participant elects to purchase, and shall be accompanied by payment of the Exercise Price for such Covered Shares indicated by the Participant's election.

(b) *Payment of Exercise Price.* Payment may be by cash or, subject to limitations imposed by applicable law, by such means as the Committee from time to time may permit, including, (i) by tendering, either actually or by attestation, Stock acceptable to the

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Committee, valued at Fair Market Value on the date of exercise; (ii) by irrevocably authorizing a third party, acceptable to the Committee, to sell Stock (or a sufficient portion of the shares) acquired upon exercise of the Option and to remit to the Company a sufficient portion of the sale proceeds to pay the entire Exercise Price; (iii) by personal, certified or cashiers' check; (iv) by payment through a net exercise such that, without the payment of any funds, the Participant may exercise the Option and receive the net number of Covered Shares equal to (1) the number of Covered Shares as to which the Option is being exercised, multiplied by (2) a fraction, the numerator of which is the Fair Market Value per Covered Share (on such date as is determined by the Company) less the Exercise Price per Covered Share, and the denominator of which is such Fair Market Value per Covered Share (the number of net Covered Shares to be received shall be rounded down to the nearest whole number of Covered Shares); (v) by other property deemed acceptable by the Committee; or (vi) any combination of the above. If payment is made pursuant to clauses (i) or (ii) above, the Participant's election must be made on or prior to the date of exercise of the Option and must be irrevocable. The Option shall not be exercisable if and to the extent the Company determines that such exercise would violate applicable state or federal securities laws or the rules and regulations of any securities exchange on which the Stock is traded and shall not be exercisable during any blackout period established by the Company from time to time.

Section 7. Delivery of Shares. Delivery of Stock or other amounts under this Award Agreement and the Plan shall be subject to the following:

(a) *Compliance with Applicable Laws.* Notwithstanding any other provision of this Award Agreement or the Plan, the Company shall have no obligation to deliver any Stock or make any other distribution of benefits under this Award Agreement or the Plan unless such delivery or distribution complies with all applicable laws (including, the requirements of the Securities Act), and the applicable requirements of any securities exchange or similar entity.

(b) *Certificates.* To the extent that this Award Agreement and the Plan provide for the issuance of Stock, the issuance may be effected on a non-certificated basis, to the extent not prohibited by applicable law or the applicable rules of any stock exchange.

Section 8. Withholding. The exercise of the Option, and the Company's obligation to issue shares upon exercise, is subject to withholding of all applicable taxes. Except as may otherwise be provided by the Committee from time-to-time, such withholding obligations may be satisfied: (i) through cash payment by the Participant; (ii) through the surrender of shares of Stock which the Participant already owns; or (iii) through the surrender of shares of Stock to which the Participant is otherwise entitled under the Plan; *provided, however*, that except as otherwise specifically provided by the Committee, such shares under clause (iii) may not be used to satisfy more than the Company's minimum statutory withholding obligation.

Section 9. Transferability. The Option, or a portion thereof, may be transferable or assignable: (i) by will or the laws of descent and distribution; or (ii) pursuant to a qualified domestic relations order, as defined in the Code or Title I of the Employee Retirement Income Security Act of 1974, as amended. Except as provided in the preceding sentence, the

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Option may not be assigned, transferred, pledged or hypothecated by the Participant in any way whether by operation of law or otherwise, and shall not be subject to execution, attachment or similar process. Any attempt at assignment, transfer, pledge or hypothecation, or other disposition of this Option contrary to the provisions hereof, and the levy of any attachment or similar process upon this option, shall be null and void and without effect.

Section 10. Heirs and Successors. The Award Agreement shall be binding upon, and inure to the benefit of, the Company and its successors and assigns, and upon any person acquiring, whether by merger, consolidation, purchase of assets or otherwise, all or substantially all of the Company's assets and business. If any rights of the Participant or benefits distributable to the Participant under this Award Agreement have not been exercised or distributed, respectively, at the time of the Participant's death, such rights shall be exercisable by the Designated Beneficiary, and such benefits shall be distributed to the Designated Beneficiary, in accordance with the provisions of this Award Agreement and the Plan. The "Designated Beneficiary" shall be the beneficiary or beneficiaries designated by the Participant in a writing filed with the Committee on the Beneficiary Designation Form, or such other form as the Committee may require. The Beneficiary Designation Form may be amended or revoked from time to time by the Participant. If a deceased Participant fails to designate a beneficiary, or if the Designated Beneficiary does not survive the Participant, any rights that would have been exercisable by the Participant and any benefits distributable to the Participant shall be exercised by or distributed to the legal representative of the estate of the Participant. If a deceased Participant designates a beneficiary and the Designated Beneficiary survives the Participant but dies before the Designated Beneficiary's exercise of all rights under this Award Agreement or

before the complete distribution of benefits to the Designated Beneficiary under this Award Agreement, then any rights that would have been exercisable by the Designated Beneficiary shall be exercised by the legal representative of the estate of the Designated Beneficiary, and any benefits distributable to the Designated Beneficiary shall be distributed to the legal representative of the estate of the Designated Beneficiary.

Section 11. Administration. The authority to manage and control the operation and administration of the Award Agreement and the Plan shall be vested in the Committee, and the Committee shall have all powers with respect to the Award Agreement as it has with respect to the Plan. Any interpretation of the Award Agreement or the Plan by the Committee and any decision made by it with respect to the Award Agreement or the Plan are final and binding on all persons.

Section 12. Plan Governs. Notwithstanding anything in the Award Agreement to the contrary, the Award Agreement shall be subject to the terms of the Plan, a copy of which may be obtained by the Participant from the office of the Secretary of the Company; and the Award Agreement are subject to all interpretations, amendments, rules and regulations promulgated by the Committee from time to time pursuant to the Plan. Notwithstanding anything in this Award Agreement to the contrary, in the event of any discrepancies between the corporate records and this Award Agreement, the corporate records shall control.

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Section 13. Not An Employment Contract. The Option will not confer on the Participant any right with respect to continuance of employment or other service with the Company or any Subsidiary, nor will it interfere in any way with any right the Company or any Subsidiary would otherwise have to terminate or modify the terms of such Participant's employment or other service at any time.

Section 14. No Rights As Shareholder. The Participant shall not have any rights of a shareholder with respect to the Covered Shares, until the Stock has been duly issued following exercise of the Option as provided herein.

Section 15. Amendment. The Award Agreement may be amended in accordance with the provisions of the Plan, and may otherwise be amended by written agreement of the Participant and the Company without the consent of any other person.

Section 16. Governing Law. This Award Agreement, the Plan, and all actions taken in connection herewith shall be governed by and construed in accordance with the laws of the State of Indiana without reference to principles of conflict of laws, except as superseded by applicable federal law.

Section 17. Section 409A Amendment. The Committee reserves the right (including the right to delegate such right) to unilaterally amend this Award Agreement without the consent of the Participant in order to maintain an exclusion from the application of, or to maintain compliance with, Code Section 409A. Participant's acceptance of this Award Agreement constitutes acknowledgement and consent to such rights of the Committee.

(Signature Page to Follow)

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IN WITNESS WHEREOF, the Company has caused this Award Agreement to be executed in its name and on its behalf, all as of the Grant Date and the Participant acknowledges acceptance of the terms and conditions of this Award Agreement.

MERCHANTS BANCORP

By: _____

Its: _____

PARTICIPANT

By: _____
[]

Date: _____

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Section 3: EX-10.2 (EX-10.2)

MERCHANTS BANCORP
2017 EQUITY INCENTIVE PLAN

INCENTIVE STOCK OPTION AWARD TERMS

The Participant specified below has been granted this Incentive Stock Option (the “Option”) by Merchants Bancorp, an Indiana corporation (the “Company”), under the terms of the Merchants Bancorp 2017 Equity Incentive Plan (the “Plan”). The Option shall be subject to the Plan as well as the following terms and conditions (the “Award Agreement”):

Section 1. Award. In accordance with the Plan, the Company hereby grants this Option for the number of Covered Shares set forth in **Section 2** to the Participant, subject to the Award Agreement.

Section 2. Terms of Option Award. The following words and phrases relating to the grant of the Option shall have the following meanings:

- (a) The “Participant” is [].
- (b) The “Grant Date” is [].
- (c) The number of “Covered Shares” is [] shares of the Company’s common stock (the “Stock”).
- (d) The “Exercise Price” is [\$] per Covered Share.

Except where the context clearly implies to the contrary, any capitalized term in this Award Agreement shall have the meaning ascribed to that term under the Plan.

Section 3. Incentive Stock Option. The Option is intended to constitute an “incentive stock option” as that term is used in Code Section 422. To the extent that the aggregate fair market value (determined at the time of grant) of shares of Stock with respect to which incentive stock options are exercisable for the first time by the Participant during any calendar year under all plans of the Company and its Subsidiaries exceeds \$100,000, the options or portions thereof which exceed such limit (according to the order in which they were granted) shall be treated as non-qualified stock options. It should be understood that there is no assurance that the Option will, in fact, be treated as an incentive stock option.

Section 4. Vesting. Subject to the limitations of the Award Agreement and the requirement that each award under the Plan have a minimum vesting period of at least one year, each installment of Covered Shares of the Option (“Installment”) shall become vested and exercisable on and after the “Vesting Date” for such Installment as described in the following schedule (but only if the Participant’s Termination of Service has not occurred before the Vesting Date):

Installment	Vesting Date Applicable to Installment

The Option may be exercised on or after a Termination of Service only as to that portion of Covered Shares for which it was exercisable immediately prior to the Termination of Service, or became exercisable on the date of the Termination of Service.

Notwithstanding the foregoing provisions of this **Section 4**, subject to any applicable forfeiture or expiration provision of the Plan or this Award Agreement, the Option shall become fully and immediately vested upon a Change in Control, but only if (i) the Plan and this Award Agreement are not the obligations of the entity—whether the Company, a successor thereto or an assignee thereof—that conducts following a Change in Control substantially all of the business conducted by the Company and its Subsidiaries immediately prior to such Change in Control, or (ii) the Plan and this Award Agreement are the obligations of the entity—whether the Company, a successor thereto or an assignee thereof—that conducts following a Change in Control substantially all of the business conducted by the Company and its Subsidiaries immediately prior to such Change in Control and the Participant incurs a Termination of Service without Cause following such Change in Control.

Section 5. Expiration. The Option shall not be exercisable after the Company’s close of business on the last business day that occurs prior to the Expiration Date. The “Expiration Date” shall be the earliest to occur of:

- (a) the ten-year anniversary of the Grant Date;
- (b) the date upon which a Termination of Service occurs, if the Participant’s employment with, or service to, the Company or any Subsidiary is terminated for Cause; or
- (c) the six-month anniversary of the date upon which a Termination of Service occurs, if the Participant’s employment with, or service to, the Company or any Subsidiary is terminated for any reason other than Cause (provided that the Option shall cease to constitute an “incentive stock option” on the three-month anniversary of such termination).

Section 6. Option Exercise.

(a) *Method of Exercise.* Subject to the Award Agreement and the Plan, the Option may be exercised in whole or in part by filing an exercise notice with the Secretary of the Company (or other party established by the Committee) at its corporate headquarters prior to the Company's close of business on the last business day that occurs prior to the Expiration Date. The notice requirement may only be satisfied by the method prescribed by the Committee; *provided, however*, the Committee shall retain the right to limit or expand the method of exercise to any one or more methods with respect to any individual Participant or group or class of Participants. Such notice shall specify the number of Covered Shares which the Participant

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elects to purchase, and shall be accompanied by payment of the Exercise Price for such Covered Shares indicated by the Participant's election.

(b) *Payment of Exercise Price.* Payment may be by cash or, subject to limitations imposed by applicable law, by such means as the Committee from time to time may permit, including, (i) by tendering, either actually or by attestation, Stock acceptable to the Committee, valued at Fair Market Value on the date of exercise; (ii) by irrevocably authorizing a third party, acceptable to the Committee, to sell Stock (or a sufficient portion of the shares) acquired upon exercise of the Option and to remit to the Company a sufficient portion of the sale proceeds to pay the entire Exercise Price; (iii) by personal, certified or cashiers' check; (iv) by payment through a net exercise such that, without the payment of any funds, the Participant may exercise the Option and receive the net number of Covered Shares equal to (1) the number of Covered Shares as to which the Option is being exercised, multiplied by (2) a fraction, the numerator of which is the Fair Market Value per Covered Share (on such date as is determined by the Company) less the Exercise Price per Covered Share, and the denominator of which is such Fair Market Value per Covered Share (the number of net Covered Shares to be received shall be rounded down to the nearest whole number of Covered Shares); (v) by other property deemed acceptable by the Committee; or (vi) any combination of the above. If payment is made pursuant to clauses (i) or (ii) above, the Participant's election must be made on or prior to the date of exercise of the Option and must be irrevocable. The Option shall not be exercisable if and to the extent the Company determines that such exercise would violate applicable state or federal securities laws or the rules and regulations of any securities exchange on which the Stock is traded and shall not be exercisable during any blackout period established by the Company from time to time.

Section 7. Delivery of Shares. Delivery of Stock or other amounts under this Award Agreement and the Plan shall be subject to the following:

(a) *Compliance with Applicable Laws.* Notwithstanding any other provision of this Award Agreement or the Plan, the Company shall have no obligation to deliver any Stock or make any other distribution of benefits under this Award Agreement or the Plan unless such delivery or distribution complies with all applicable laws (including, the requirements of the Securities Act), and the applicable requirements of any securities exchange or similar entity.

(b) *Certificates.* To the extent that this Award Agreement and the Plan provide for the issuance of Stock, the issuance may be effected on a non-certificated basis, to the extent not prohibited by applicable law or the applicable rules of any stock exchange.

Section 8. Withholding. The exercise of the Option, and the Company's obligation to issue shares upon exercise, is subject to withholding of all applicable taxes. Except as may otherwise be provided by the Committee from time-to-time, such withholding obligations may be satisfied: (i) through cash payment by the Participant; (ii) through the surrender of shares of Stock which the Participant already owns; or (iii) through the surrender of shares of Stock to which the Participant is otherwise entitled under the Plan; *provided, however*, that except as otherwise specifically provided by the Committee, such shares under clause (iii) may not be used to satisfy more than the Company's minimum statutory withholding obligation.

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Section 9. Transferability. The Option, or a portion thereof, may be transferable or assignable: (i) by will or the laws of descent and distribution; or (ii) pursuant to a qualified domestic relations order, as defined in the Code or Title I of the Employee Retirement Income Security Act of 1974, as amended. Except as provided in the preceding sentence, the Option may not be assigned, transferred, pledged or hypothecated by the Participant in any way whether by operation of law or otherwise, and shall not be subject to execution, attachment or similar process. Any attempt at assignment, transfer, pledge or hypothecation, or other disposition of this Option contrary to the provisions hereof, and the levy of any attachment or similar process upon this option, shall be null and void and without effect.

Section 10. Heirs and Successors. The Award Agreement shall be binding upon, and inure to the benefit of, the Company and its successors and assigns, and upon any person acquiring, whether by merger, consolidation, purchase of assets or otherwise, all or substantially all of the Company's assets and business. If any rights of the Participant or benefits distributable to the Participant under this Award Agreement have not been exercised or distributed, respectively, at the time of the Participant's death, such rights shall be exercisable by the Designated Beneficiary, and such benefits shall be distributed to the Designated Beneficiary, in accordance with the provisions of this Award Agreement and the Plan. The "Designated Beneficiary" shall be the beneficiary or beneficiaries designated by the Participant in a writing filed with the Committee on the Beneficiary Designation Form, or such other form as the Committee may require. The Beneficiary Designation Form may be amended or revoked from time to time by the Participant. If a deceased Participant fails to designate a beneficiary, or if the Designated Beneficiary does not survive the Participant, any rights that would have been exercisable by the Participant and any benefits distributable to the Participant shall be exercised by or distributed to the legal representative of the estate of the Participant. If a deceased Participant designates a beneficiary and the Designated Beneficiary survives the Participant but dies before the Designated Beneficiary's exercise of all rights under this Award Agreement or

before the complete distribution of benefits to the Designated Beneficiary under this Award Agreement, then any rights that would have been exercisable by the Designated Beneficiary shall be exercised by the legal representative of the estate of the Designated Beneficiary, and any benefits distributable to the Designated Beneficiary shall be distributed to the legal representative of the estate of the Designated Beneficiary.

Section 11. Administration. The authority to manage and control the operation and administration of the Award Agreement and the Plan shall be vested in the Committee, and the Committee shall have all powers with respect to the Award Agreement as it has with respect to the Plan. Any interpretation of the Award Agreement or the Plan by the Committee and any decision made by it with respect to the Award Agreement or the Plan are final and binding on all persons.

Section 12. Plan Governs. Notwithstanding anything in the Award Agreement to the contrary, the Award Agreement shall be subject to the terms of the Plan, a copy of which may be obtained by the Participant from the office of the Secretary of the Company; and the Award Agreement are subject to all interpretations, amendments, rules and regulations promulgated by the Committee from time to time pursuant to the Plan. Notwithstanding anything

in this Award Agreement to the contrary, in the event of any discrepancies between the corporate records and this Award Agreement, the corporate records shall control.

Section 13. Not An Employment Contract. The Option will not confer on the Participant any right with respect to continuance of employment or other service with the Company or any Subsidiary, nor will it interfere in any way with any right the Company or any Subsidiary would otherwise have to terminate or modify the terms of such Participant's employment or other service at any time.

Section 14. No Rights As Shareholder. The Participant shall not have any rights of a shareholder with respect to the Covered Shares, until the Stock has been duly issued following exercise of the Option as provided herein.

Section 15. Amendment. The Award Agreement may be amended in accordance with the provisions of the Plan, and may otherwise be amended by written agreement of the Participant and the Company without the consent of any other person.

Section 16. Governing Law. This Award Agreement, the Plan, and all actions taken in connection herewith shall be governed by and construed in accordance with the laws of the State of Indiana without reference to principles of conflict of laws, except as superseded by applicable federal law.

Section 17. Section 409A Amendment. The Committee reserves the right (including the right to delegate such right) to unilaterally amend this Award Agreement without the consent of the Participant in order to maintain an exclusion from the application of, or to maintain compliance with, Code Section 409A. Participant's acceptance of this Award Agreement constitutes acknowledgement and consent to such rights of the Committee.

(Signature Page to Follow)

IN WITNESS WHEREOF, the Company has caused this Award Agreement to be executed in its name and on its behalf, all as of the Grant Date and the Participant acknowledges acceptance of the terms and conditions of this Award Agreement.

MERCHANTS BANCORP

By: _____

Its: _____

PARTICIPANT

By: _____
[]

Date: _____

Section 4: EX-10.3 (EX-10.3)

Exhibit 10.3

MERCHANTS BANCORP 2017 EQUITY INCENTIVE PLAN

RESTRICTED STOCK UNIT AWARD TERMS

The Participant specified below has been granted this Restricted Stock Unit Award (“Award”) by Merchants Bancorp, an Indiana corporation (the “Company”), under the terms of the Merchants Bancorp 2017 Equity Incentive Plan (the “Plan”). The Award shall be subject to the Plan as well as the following terms and conditions (the “Award Agreement”):

Section 1. Award. In accordance with the Plan, the Company hereby grants to the Participant this Award of Restricted Stock Units (each, an “RSU”) where each RSU represents the right to receive one share of the Company’s common stock (the “Stock”) in the future as set forth in **Section 2**. This Award is in all respects limited and conditioned as provided herein.

Section 2. Terms of Restricted Stock Award. The following words and phrases relating to the grant of the Award shall have the following meanings:

- (a) The “Participant” is [].
- (b) The “Grant Date” is [].
- (c) The number of “RSUs” is [].

Except where the context clearly implies to the contrary, any capitalized term in this Award Agreement shall have the meaning ascribed to that term under the Plan.

Section 3. Restricted Period. This Award Agreement evidences the Company’s grant to the Participant as of the Grant Date, on the terms and conditions described in this Award Agreement and in the Plan, a number of RSUs, each of which represents the right of the Participant to receive a share of Stock free of restrictions once the Restricted Period ends.

(a) Subject to the limitations of this Award Agreement and the requirement that each award under the Plan have a minimum vesting period of at least one year, the “Restricted Period” for each installment of such RSUs (“Installment”) shall begin on the Grant Date and end as described in the following schedule (but only if the Participant has not had a Termination of Service before the end of the Restricted Period):

<u>Installment</u>	<u>Restricted Period Will End On:</u>
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(b) Notwithstanding the foregoing provisions of this **Section 3**, subject to any applicable forfeiture or expiration provisions of the Plan or this Award Agreement, the

Restricted Period for the RSUs shall cease immediately, and the RSUs shall become immediately and fully vested, upon a Change in Control, but only if (i) the Plan and this Award Agreement are not the obligations of the entity—whether the Company, a successor thereto or an assignee thereof—that conducts following a Change in Control substantially all of the business conducted by the Company and its Subsidiaries immediately prior to such Change in Control, or (ii) the Plan and this Award Agreement are the obligations of the entity—whether the Company, a successor thereto or an assignee thereof—that conducts following a Change in Control substantially all of the business conducted by the Company and its Subsidiaries immediately prior to such Change in Control and the Participant incurs a Termination of Service without Cause following such Change in Control.

(c) In the event the Participant’s Termination of Service, other than as provided in **subsection (b)** above, occurs prior to the expiration of one or more Restricted Periods, the Participant shall forfeit all rights, title and interest in and to any Installment(s) of RSUs still subject to a Restricted Period as of the Participant’s Termination of Service date.

Section 4. Settlement of Units. Delivery of Stock or other amounts under this Award Agreement and the Plan shall be subject to the following:

(a) Delivery of Stock. As soon as administratively practicable following the end of a Restricted Period or upon immediate vesting as described in **Section 3**, the Company shall deliver to the Participant one share of Stock free and clear of any restrictions in settlement of each of the vested RSUs.

(b) Compliance with Applicable Laws. Notwithstanding any other provision of this Award Agreement or the Plan, the Company shall have no obligation to deliver any Stock or make any other distribution of benefits under this Award Agreement or the Plan unless

such delivery or distribution complies with all applicable laws (including, the requirements of the Securities Act), and the applicable requirements of any securities exchange or similar entity.

(c) *Certificates.* To the extent that this Award Agreement and the Plan provide for the issuance of Stock, the issuance may be effected on a non-certificated basis, to the extent not prohibited by applicable law or the applicable rules of any stock exchange.

Section 5. Withholding. All deliveries of shares of Stock pursuant to this Award Agreement shall be subject to withholding of all applicable taxes. The Company shall have the right to require the Participant (or if applicable, permitted assigns, heirs or Designated Beneficiaries) to remit to the Company an amount sufficient to satisfy any tax requirements prior to the delivery date of any shares of Stock under this Award Agreement. At the election of the Participant, subject to the rules and limitations as may be established by the Committee, such withholding obligations may be satisfied through the surrender of shares of Stock which the Participant already owns, or to which Participant is otherwise entitled under the Plan.

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Section 6. Non-Transferability of Award. Prior to settlement, the Participant shall not sell, assign, transfer, pledge, hypothecate, mortgage, encumber or dispose of any RSUs awarded under this Award.

Section 7. Dividends. The Participant shall not be entitled to receive a payment of additional RSUs equal in value to any cash dividends and property distributions paid with respect to the RSUs (other than dividends or distributions of securities of the Company which may be issued with respect to its shares by virtue of any stock split, combination, stock dividend or recapitalization — to the extent covered in **Section 4.3 of the Plan**) that become payable during the Restricted Period (“Dividend Equivalents”); *provided, however*, that no Dividend Equivalents shall be payable to or for the benefit of the Participant with respect to record dates for such dividends or distributions occurring prior to the date the RSUs have vested, or with respect to record dates for such dividends or distributions occurring on or after the date, if any, on which the Participant has forfeited the RSUs. Dividend Equivalents shall be paid at such times as the Committee shall determine in its discretion and shall be subject to the same restrictions applicable to the underlying RSUs.

Section 8. Voting Rights. The Participant shall not be a shareholder of record with respect to the RSUs during the Restricted Period and shall have no voting rights with respect to the RSUs during the Restricted Period.

Section 9. Heirs and Successors. This Award Agreement shall be binding upon, and inure to the benefit of, the Company and its successors and assigns, and upon any person acquiring, whether by merger, consolidation, purchase of assets or otherwise, all or substantially all of the Company’s assets and business. If any rights of the Participant or benefits distributable to the Participant under this Award Agreement have not been settled or distributed, respectively, at the time of the Participant’s death, such rights shall be settled and payable to the Designated Beneficiary, and such benefits shall be distributed to the Designated Beneficiary, in accordance with the provisions of this Award Agreement and the Plan. The “Designated Beneficiary” shall be the beneficiary or beneficiaries designated by the Participant in a writing filed with the Committee in such form as the Committee may require. The designation of beneficiary form may be amended or revoked from time to time by the Participant. If a deceased Participant fails to designate a beneficiary, or if the Designated Beneficiary does not survive the Participant, any rights that would have been payable to the Participant and shall be payable to the legal representative of the estate of the Participant. If a deceased Participant designates a beneficiary and the Designated Beneficiary survives the Participant but dies before the settlement of Designated Beneficiary’s rights under this Award Agreement, then any rights that would have been payable to the Designated Beneficiary shall be payable to the legal representative of the estate of the Designated Beneficiary.

Section 10. Administration. The authority to manage and control the operation and administration of this Award Agreement and the Plan shall be vested in the Committee, and the Committee shall have all powers with respect to this Award Agreement as it has with respect to the Plan. Any interpretation of this Award Agreement or the Plan by the Committee and any decision made by it with respect to this Award Agreement or the Plan are final and binding on all persons.

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Section 11. Plan Governs. Notwithstanding anything in this Award Agreement to the contrary, this Award Agreement shall be subject to the terms of the Plan, a copy of which may be obtained by the Participant from the office of the Secretary of the Company; and this Award Agreement are subject to all interpretations, amendments, rules and regulations promulgated by the Committee from time to time pursuant to the Plan. Notwithstanding anything in this Award Agreement to the contrary, in the event of any discrepancies between the corporate records and this Award Agreement, the corporate records shall control.

Section 12. Not an Employment Contract. The Award will not confer on the Participant any right with respect to continuance of employment or other service with the Company or any Subsidiary, nor will it interfere in any way with any right the Company or any Subsidiary would otherwise have to terminate or modify the terms of such Participant’s employment or other service at any time.

Section 13. No Rights As Shareholder. The Participant shall not have any rights of a shareholder with respect to the RSUs, until the Stock has been duly issued and delivered to the Participant as provided herein.

Section 14. Amendment. This Award Agreement may be amended in accordance with the provisions of the Plan, and may otherwise be amended by written agreement of the Participant and the Company without the consent of any other person.

Section 15. Governing Law. This Award Agreement, the Plan, and all actions taken in connection herewith shall be governed by

and construed in accordance with the laws of the State of Indiana without reference to principles of conflict of laws, except as superseded by applicable federal law.

Section 16. Section 409A Amendment. The Committee reserves the right (including the right to delegate such right) to unilaterally amend this Award Agreement without the consent of the Participant in order to maintain an exclusion from the application of, or to maintain compliance with, Code Section 409A. Participant’s acceptance of this Award Agreement constitutes acknowledgement and consent to such rights of the Committee.

(Signature Page to Follow)

IN WITNESS WHEREOF, the Company has caused this Award Agreement to be executed in its name and on its behalf, all as of the Grant Date and the Participant acknowledges acceptance of the terms and conditions of this Award Agreement.

MERCHANTS BANCORP

By: _____

Its: _____

PARTICIPANT

By: _____

[]

Date: _____

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Section 5: EX-10.4 (EX-10.4)

Exhibit 10.4

**MERCHANTS BANCORP
2017 EQUITY INCENTIVE PLAN**

RESTRICTED STOCK AWARD TERMS

The Participant specified below has been granted this Restricted Stock Award (“Award”) by Merchants Bancorp, an Indiana corporation (the “Company”), under the terms of the Merchants Bancorp 2017 Equity Incentive Plan (the “Plan”). The Award shall be subject to the Plan as well as the following terms and conditions (the “Award Agreement”):

Section 1. Award. In accordance with the Plan, the Company hereby grants to the Participant this Award which represents the right to receive shares of the Company’s common stock (the “Stock”), (the “Covered Shares”) as set forth in **Section 2**. This Award is in all respects limited and conditioned as provided herein.

Section 2. Terms of Restricted Stock Award. The following words and phrases relating to the grant of the Award shall have the following meanings:

- (a) The “Participant” is [].
- (b) The “Grant Date” is [].
- (c) The number of “Covered Shares” is [].

Except where the context clearly implies to the contrary, any capitalized term in this Award Agreement shall have the meaning ascribed to that term under the Plan.

Section 3. Restricted Period. This Award Agreement evidences the Company’s grant to the Participant as of the Grant Date, on the terms and conditions described in this Award Agreement and in the Plan, the right of the Participant to receive stock free of restrictions once

the Restricted Period ends.

(a) Subject to the limitations of this Award Agreement and the requirement that each award under the Plan have a minimum vesting period of at least one year, the “Restricted Period” for each installment of such Covered Shares (“Installment”) shall begin on the Grant Date and end as described in the following schedule (but only if the Participant has not had a Termination of Service before the end of the Restricted Period):

<u>Installment</u>	<u>Restricted Period Will End On:</u>

(b) Notwithstanding the foregoing provisions of this **Section 3**, subject to any applicable forfeiture or expiration provisions of the Plan or this Award Agreement, the Restricted Period for the Covered Shares shall cease immediately, and the Covered Shares shall

become immediately and fully vested, upon a Change in Control, but only if (i) the Plan and this Award Agreement are not the obligations of the entity—whether the Company, a successor thereto or an assignee thereof—that conducts following a Change in Control substantially all of the business conducted by the Company and its Subsidiaries immediately prior to such Change in Control, or (ii) the Plan and this Award Agreement are the obligations of the entity—whether the Company, a successor thereto or an assignee thereof—that conducts following a Change in Control substantially all of the business conducted by the Company and its Subsidiaries immediately prior to such Change in Control and the Participant incurs a Termination of Service without Cause following such Change in Control.

(c) In the event the Participant’s Termination of Service, other than as provided in **subsection (b)** above, occurs prior to the expiration of one or more Restricted Periods, the Participant shall forfeit all rights, title and interest in and to any Installment(s) of Covered Shares still subject to a Restricted Period as of the Participant’s Termination of Service date.

Section 4. Delivery of Shares. Delivery of Stock or other amounts under this Award Agreement and the Plan shall be subject to the following:

(a) *Compliance with Applicable Laws.* Notwithstanding any other provision of this Award Agreement or the Plan, the Company shall have no obligation to deliver any Stock or make any other distribution of benefits under this Award Agreement or the Plan unless such delivery or distribution complies with all applicable laws (including, the requirements of the Securities Act), and the applicable requirements of any securities exchange or similar entity.

(b) *Certificates.* To the extent that this Award Agreement and the Plan provide for the issuance of Stock, the issuance may be effected on a non-certificated basis, to the extent not prohibited by applicable law or the applicable rules of any stock exchange.

Section 5. Withholding. All deliveries of Covered Shares pursuant to this Award Agreement shall be subject to withholding of all applicable taxes. The Company shall have the right to require the Participant (or if applicable, permitted assigns, heirs or Designated Beneficiaries) to remit to the Company an amount sufficient to satisfy any tax requirements prior to the delivery date of any Stock under this Award Agreement. At the election of the Participant, subject to the rules and limitations as may be established by the Committee, such withholding obligations may be satisfied through the surrender of shares of Stock which the Participant already owns, or to which Participant is otherwise entitled under the Plan.

Section 6. Non-Transferability of Award. During the Restricted Period, the Participant shall not sell, assign, transfer, pledge, hypothecate, mortgage, encumber or dispose of any Covered Shares awarded under this Award.

Section 7. Dividends. The Participant shall not be entitled to receive dividends and distributions paid on the Covered Shares during the Restricted Period (other than dividends or distributions of securities of the Company which may be issued with respect to its shares by

virtue of any stock split, combination, stock dividend or recapitalization — to the extent covered in **Section 4.3 of the Plan**).

Section 8. Voting Rights. The Participant shall be entitled to vote the Covered Shares during the Restricted Period; *provided, however,* that the Participant shall not be entitled to vote Covered Shares with respect to record dates for any Covered Shares occurring on or after the date, if any, on which the Participant has forfeited those Covered Shares.

Section 9. Deposit of Restricted Stock Award. The Covered Shares awarded under this Award Agreement and subject to the restrictions contained herein, shall be registered in the name of the Participant and shall be retained by the Company, or an agent of the Company, until the end of the Restricted Period with respect to such Covered Shares.

Section 10. Heirs and Successors. This Award Agreement shall be binding upon, and inure to the benefit of, the Company and its successors and assigns, and upon any person acquiring, whether by merger, consolidation, purchase of assets or otherwise, all or substantially all of the Company’s assets and business. If any rights of the Participant or benefits distributable to the Participant under this Award Agreement have not been settled or distributed, respectively, at the time of the Participant’s death, such rights shall be settled and payable to the Designated

Beneficiary, and such benefits shall be distributed to the Designated Beneficiary, in accordance with the provisions of this Award Agreement and the Plan. The “Designated Beneficiary” shall be the beneficiary or beneficiaries designated by the Participant in a writing filed with the Committee in such form as the Committee may require. The designation of beneficiary form may be amended or revoked from time to time by the Participant. If a deceased Participant fails to designate a beneficiary, or if the Designated Beneficiary does not survive the Participant, any rights that would have been payable to the Participant and shall be payable to the legal representative of the estate of the Participant. If a deceased Participant designates a beneficiary and the Designated Beneficiary survives the Participant but dies before the settlement of Designated Beneficiary’s rights under this Award Agreement, then any rights that would have been payable to the Designated Beneficiary shall be payable to the legal representative of the estate of the Designated Beneficiary.

Section 11. Administration. The authority to manage and control the operation and administration of this Award Agreement and the Plan shall be vested in the Committee, and the Committee shall have all powers with respect to this Award Agreement as it has with respect to the Plan. Any interpretation of this Award Agreement or the Plan by the Committee and any decision made by it with respect to this Award Agreement or the Plan are final and binding on all persons.

Section 12. Plan Governs. Notwithstanding anything in this Award Agreement to the contrary, this Award Agreement shall be subject to the terms of the Plan, a copy of which may be obtained by the Participant from the office of the Secretary of the Company; and this Award Agreement are subject to all interpretations, amendments, rules and regulations promulgated by the Committee from time to time pursuant to the Plan. Notwithstanding anything in this Award Agreement to the contrary, in the event of any discrepancies between the corporate records and this Award Agreement, the corporate records shall control.

Section 13. Not an Employment Contract. The Award will not confer on the Participant any right with respect to continuance of employment or other service with the Company or any Subsidiary, nor will it interfere in any way with any right the Company or any Subsidiary would otherwise have to terminate or modify the terms of such Participant’s employment or other service at any time.

Section 14. No Rights As Shareholder. The Participant shall not have any rights of a shareholder with respect to the Covered Shares, until Stock has been duly issued and delivered to the Participant.

Section 15. Amendment. This Award Agreement may be amended in accordance with the provisions of the Plan, and may otherwise be amended by written agreement of the Participant and the Company without the consent of any other person.

Section 16. Governing Law. This Award Agreement, the Plan, and all actions taken in connection herewith shall be governed by and construed in accordance with the laws of the State of Indiana without reference to principles of conflict of laws, except as superseded by applicable federal law.

Section 17. Section 409A Amendment. The Committee reserves the right (including the right to delegate such right) to unilaterally amend this Award Agreement without the consent of the Participant in order to maintain an exclusion from the application of, or to maintain compliance with, Code Section 409A. Participant’s acceptance of this Award Agreement constitutes acknowledgement and consent to such rights of the Committee.

(Signature Page to Follow)

IN WITNESS WHEREOF, the Company has caused this Award Agreement to be executed in its name and on its behalf, all as of the Grant Date and the Participant acknowledges acceptance of the terms and conditions of this Award Agreement.

MERCHANTS BANCORP

By: _____

Its: _____

PARTICIPANT

By: _____
[]

Date: _____

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Section 6: EX-99.1 (EX-99.1)

Exhibit 99.1



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PRESS RELEASE

Merchants Bancorp Increases Quarterly Cash Dividend

For Release February 22, 2018

CARMEL, Indiana — Merchants Bancorp (“Merchants”) (Nasdaq: MBIN), parent company and registered bank holding company of Merchants Bank of Indiana (“Merchants Bank”), today announced that the Board of Directors declared a quarterly cash dividend for the first quarter of 2018 of \$0.06 per share on the Company’s outstanding shares of common stock, a 20% increase compared with the fourth quarter of 2017. The dividend is payable April 2, 2018, to shareholders of record on March 15, 2018.

ABOUT MERCHANTS BANCORP

Merchants Bancorp is a diversified bank holding company headquartered in Carmel, Indiana operating multiple lines of business with a focus on Federal Housing Administration (“FHA”) multi-family housing and healthcare facility financing and servicing, mortgage warehouse financing, retail and correspondent residential mortgage banking, agricultural lending and traditional community banking. Merchants Bancorp, with \$3.4 billion in assets and \$2.9 billion in deposits as of December 31, 2017, conducts its business through its direct and indirect subsidiaries, Merchants Bank of Indiana, P/R Mortgage and Investment Corp., RICHMAC Funding LLC and Merchants Mortgage, a division of Merchants Bank of Indiana. For more information and financial data, please visit Merchants’ Investor Relations page at investors.merchantsbankofindiana.com.

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