



**ETHICS DISCLOSURE STATEMENT
CONFLICTS OF INTEREST – DECISIONS AND VOTING**
State Form 55860 (R / 10-15)
OFFICE OF THE INSPECTOR GENERAL
IC 4-2-6-9

INDIANA
STATE ETHICS COMMISSION
DEC 11 2015
FILED

In accordance with IC 4-2-6-9, you must file your disclosure with the State Ethics Commission no later than seven (7) days after the conduct that gives rise to the conflict. You must also include a copy of the notification provided to your agency appointing authority and ethics officer when filing this disclosure. This disclosure will be posted on the Inspector General's website.

Name (last) Schroeder	Name (first) Mark	Name (middle) A.
Name of office or agency Department of Financial Institutions ("DFI")		Job title DFI Board Member and Vice-Chairman
Address of office (number and street) 30 South Meridian Street, Suite 300		City Indianapolis
Office telephone number (317) 232-3955		ZIP code 46204
Office e-mail address (required) gwilliams@dfi.in.gov (Ethics Officer's e-mail address)		

Describe the conflict of interest:
On October 26, 2015, German American Bancorp, Inc. ("German American") and River Valley Bancorp ("River Valley") announced a definitive agreement to merge River Valley into German American. Upon completion of the transaction, River Valley's subsidiary bank, River Valley Financial Bank, will merge into German American's subsidiary bank, German American Bancorp. Both River Valley Financial Bank and German American Bancorp are state chartered financial institutions chartered and regulated by the Indiana Department of Financial Institutions ("DFI").

Mr. Schroeder is Chairman and CEO of both German American and German American Bancorp, and is a Member of the DFI's board. Pursuant to IC 28-1-7, the merger of River Valley Financial Bank into German American Bancorp must be approved by the Members of the DFI. The Members consist of seven individuals who are appointed by the Governor. The Director of the DFI serves as an ex officio voting member. The remaining Members consist of three persons of practical experience at the executive level of a state chartered bank; a state chartered savings association; or a state chartered savings bank; one Member is a person of practical experience at the executive level of a lender licensed under IC 24-4-5; one Member is a person of practical experience at the executive level of a state chartered credit union. The remaining Member represents the consumer, agricultural, industrial, and commercial interests of the state.

Mr. Schroeder's appointment as a Member of the DFI and his affiliation with German American and German American Bancorp creates a conflict of interest for Mr. Schroeder. The DFI received the merger application on November 24, 2015. It is anticipated the transaction will be presented to the Members for their consideration during the January 2016 Members' meeting.

Describe the screen established by your ethics officer: (Attach additional pages as needed.)

The following screens have been established by the DFI's ethics officer:

1. Mr. Schroeder shall not discuss the transaction with any of the other Members of the DFI prior to the meeting at which any decision or vote will be taken on the transaction.

2. Mr. Schroeder shall recuse himself from that part of the Members' meeting during which the discussion and vote of the transaction will take place.

Attached is a copy of the e-mail Mr. Schroeder sent on October 26, 2015 notifying then Director Tim Berry, Deputy Director of the Depository Division Tom Fite, who now serves as Director, and Ethics Officer Gina Williams of the conflict of interest.

AFFIRMATION

Your signature below affirms that your disclosures on this form are true, complete, and correct to the best of your knowledge and belief. In addition to this form, you have attached a copy of your written disclosure to your agency appointing authority and ethics officer.

Signature of state officer, employee or special state appointee

Mark A. Schroeder

Date signed (month, day, year)

12/9/15

Printed full name of state officer, employee or special state appointee

Mark A. Schroeder

FOR ETHICS OFFICER USE ONLY

Your signature below affirms that you have reviewed this disclosure form and that it is true, complete, and correct to the best of your knowledge and belief. You also attest that your agency has implemented the screen described above.

Signature of ethics officer

Gina R. Williams

Date signed (month, day, year)

12/16/15

Printed full name of ethics officer

Gina R. Williams

Williams, Gina

From: Berry, Tim
Sent: Monday, October 26, 2015 8:44 PM
To: Schroeder, Mark
Cc: Fite, Tom; Williams, Gina
Subject: Re: German American Announces Merger Transaction

Thanks for reaching out. I have copied Gina on this so that she is aware as well.

Tim Berry

On Oct 26, 2015, at 7:19 PM, Mark A Schroeder <mark.schroeder@germanamerican.com> wrote:

**** This is an EXTERNAL email. Exercise caution. DO NOT open attachments or click links from unknown senders or unexpected email. ****

Tim & Tom,

Just wanted to share with you this announcement, which we released late today, regarding our pending acquisition of River Valley Financial located in Madison (and elsewhere in Southeast Indiana). As both of us are state chartered banks, this will be my first conflict of interest issue under the new rules. (We're starting on the regulatory filings, including the merger application to DFI.)

Please advise as to the steps I'll need to follow to stay within the guidelines.

Thanks,
Mark

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<Final Press Release - Merger with River Valley.doc>