Annual Report of Holding Companies—FR Y-6

Report at the close of business as of the end of fiscal year

This Report is required by law. Section 5(c)(1)(A) of the Bank Holding Company Act (12 U.S.C. § 1844(c)(1)(A)); sections 8(e) and 13(a) of the International Banking Act (12 U.S.C. §§ 3106(a) and 3108(a)); sections 11(a)(1), 25, and 25A of the Federal Reserve Act (12 U.S.C. §§ 248(a)(1), 602, and 611a); and sections 113, 165, 312, 316, and 809 of the Dodd-Frank Act (12 U.S.C. §§ 5361, 5395, 5412, 1850a(c)(1), and 5468(b)(1)). Return to the appropriate Federal Reserve Bank the original and the number of copies specified.

NOTE: The Annual Report of Holding Companies must be signed by one director of the top-tier holding company. This individual should also be a senior official of the top-tier holding company. In the event that the top-tier holding company does not have an individual who is a senior official and is also a director, the chairman of the board must sign the report. If the holding company is an ESOP/ESOT formed as a corporation or is an LLC, see the General Instructions for the authorized individual who must sign the report.

Paul W. Pence, Jr
Chairman, CEO

Name of the Holding Company Director and Official

Date of Signature
07/17/2017

For holding companies not registered with the SEC—Indicate status of Annual Report to Shareholders:
☐ is included with the FR Y-6 report
☐ will be sent under separate cover
☐ is not prepared

For Federal Reserve Bank Use Only
RSD ID
C.I.

Date of Report (top-tier holding company's fiscal year-end):
December 31, 2016

Report's Legal Entity Identifier (LEI) (20-Character LEI Code)

Report's Name, Street, and Mailing Address

Merchants Bancorp Inc
Legal Entity Title of Holding Company

PO Box 10
City
State
Zip Code
100 N High Street, Hillsboro, OH

Physical Location (if different from mailing address)

Person to whom questions about this report should be directed:
Nancy Horvath
Controller

Area Code / Phone Number / Extension
Area Code / FAX Number
nhorvath@merchantsnat.com

E-mail Address

merchantsnat.com

Address (URL) for the Holding Company's web page

Is confidential treatment requested for any portion of this report submission? ☐ ☐

☐ Yes ☐ No

In accordance with the General Instructions for this report (check only one),

☐ 1. a letter justifying this request is being provided along with the report
☐ 2. a letter justifying this request has been provided separately

NOTE: Information for which confidential treatment is being requested must be provided separately and labeled as "confidential.

12/2016
1a. The annual report is included with the FRY6
2a. Organizational Chart
   Merchants Bancorp, Inc. Incorporated in the state of Ohio
   100 North High Street
   Hillsboro, OH 45133
   owns 100% of shares of
   Merchants National Bank Incorporated in the state of Ohio
   100 North High Street
   Hillsboro, OH 45133

2b. Br Serv Type  Popular Name  Street Address          City  State  Zip  County  Count Date Opened
    Full (main office)  Main Office  100 North High     Hillsboro  OH  45133  Highland  USA
    Limited  Beech St  145 W Beech                 Hillsboro  OH  45133  Highland  USA
    Limited  North High  1478 N High St            Hillsboro  OH  45133  Highland  USA
    Full  Greenfield Main 117 S. Washington  Greenfield  OH  45135  Highland  USA
    Limited  Greenfield Br  102 Jefferson          Greenfield  OH  45135  Highland  USA
    Full  Washington CH 128 S. North Street        Washington CH  OH  43160  Highland  USA
    Full  London  279 LaFayette St                  London  OH  43140  Madison  USA
    Full  Mt Orab  370 N High St                    Mt Orab  OH  45154  Brown  USA
    Full  Springfield  3473 E National St          Springfield  OH  45505  Clark  USA
    Full  Higginsport  314 Washington St           Higginsport  OH  45131  Brown  USA  Acquired 8/09
    Full  Batavia  2033 Hospital Drive             Batavia  OH  45103  Clermont  USA  Acquired 8/09
    Full  Georgetown  120 S. Main St               Georgetown  OH  45121  Brown  USA  Acquired 8/09
    Full  Marysville  181 North Coleman's Crossings Marysville  OH  43040  Union  USA  Acquired 3/14

Report Item 3: Shareholders
1(a) 1(b) 2(a) 2(b) 2(c)
   Current Shareholders with ownership, control or holdings of 5% or more with power to vote as of 12/31/16
   1A  Donald E. Fender, Jr
       Hillsboro, OH
   1B  USA
   1C  400,000  16.59%
       Includes 370,000 shares owned by Donald E. Fender Jr. Trustee
       and 30,000 shares owned jointly with Ann E Fender

2 Not applicable
<table>
<thead>
<tr>
<th>Name &amp; address</th>
<th>2. Principal Occupation</th>
<th>3(a) Title and Position w/BHC</th>
<th>3(b) Title &amp; position w/other businesses</th>
<th>4(a) % of voting shares in BHC</th>
<th>4(b) % of voting shares in subsidiaries</th>
<th>4-C List names of other co. if 25% or more of voting sec. are held</th>
</tr>
</thead>
<tbody>
<tr>
<td>William Butler, Hillsboro, OH, USA</td>
<td>Business Owner</td>
<td>Director</td>
<td>Director</td>
<td>Pres of Union Stock Yards</td>
<td>1.76%</td>
<td>n/a</td>
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<tr>
<td>Donald E Fender, JR, Hillsboro, OH, USA</td>
<td>Retired RE Co. Owner</td>
<td>Director</td>
<td>Director</td>
<td>Retired</td>
<td>16.66%</td>
<td>n/a</td>
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<tr>
<td>Paul Pence, Jr, Hillsboro, OH, USA</td>
<td>President of MNB and Merchants Bancorp</td>
<td>Chairman/CEO</td>
<td>Chairman/CEO</td>
<td>N/A</td>
<td>1.11%</td>
<td>n/a</td>
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<tr>
<td>Kennison Sims, London, OH USA</td>
<td>Business Owner</td>
<td>Director</td>
<td>Director</td>
<td>Pres K.A. Sims Construction Co., Inc.; Managing Member Ohio Ag Solutions LLC</td>
<td>1.08%</td>
<td>n/a</td>
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<tr>
<td>James VanZant, Greenfield, OH USA</td>
<td>Veterinarian</td>
<td>Director</td>
<td>Director</td>
<td>N/A</td>
<td>0.08%</td>
<td>n/a</td>
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<td>Robert Hammond, Washington CH, OH USA</td>
<td>Retired Attorney</td>
<td>Director</td>
<td>Director</td>
<td>N/A</td>
<td>0.44%</td>
<td>n/a</td>
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<td>James D. Evans, Hillsboro, OH USA</td>
<td>Banking</td>
<td>President/COO</td>
<td>President/COO</td>
<td>Director of South Central Power, Director of Hoepice of Fayette Co.</td>
<td>0.66%</td>
<td>n/a</td>
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<tr>
<td>Richard S Carr, Hillsboro, OH, USA</td>
<td>Farmer</td>
<td>Director</td>
<td>Director</td>
<td>VP 5 Pts Implement</td>
<td>0.63%</td>
<td>n/a</td>
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<td>Christopher Walker, Pickerington, OH, USA</td>
<td>Business Owner</td>
<td>Director</td>
<td>Director</td>
<td>Owner/Pres of Walker RE Consultants, LLC</td>
<td>0.68%</td>
<td>n/a</td>
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<tr>
<td>Thomas Shoettle, Greenfield, OH, USA</td>
<td>Banking</td>
<td>N/A</td>
<td>Chief Lending Office and Sr VP</td>
<td>N/A</td>
<td>0.009</td>
<td>n/a</td>
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<tr>
<td>Amy Davis Fulkerson, Hillsboro OH, USA</td>
<td>Realtor</td>
<td>Director</td>
<td>Director</td>
<td>Fulkerson Properties, LLC President; Donald E Fender, Inc Secretary/Treasurer; F&amp;F Development, LLC Secretary/Treasurer</td>
<td>0.37%</td>
<td>n/a</td>
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</tbody>
</table>
Results: A list of branches for your holding company: MERCHANTS BANCORP, INC. (2485487) of HILLSBoro, OH. The data are as of 12/31/2016. Data reflects information that was received and processed through 01/10/2017.

Reconciliation and Verification Steps:
1. In the Data Action column of each branch row, enter one or more of the actions specified below.
2. If required, enter the date in the Effective Date column.

Actions:
- OK: If the branch information is correct, enter 'OK' in the Data Action column.
- Change: If the branch information is incorrect or incomplete, revise the data, enter 'Change' in the Data Action column and the date when this information first became valid in the Effective Date column.
- Close: If a branch listed was sold or closed, enter 'Close' in the Data Action column and the sale or closure date in the Effective Date column.
- Delete: If a branch listed was never owned by this depository institution, enter 'Delete' in the Data Action column.
- Add: If a reportable branch is missing, insert a row, add the branch data, and enter 'Add' in the Data Action column and the opening or acquisition date in the Effective Date column.

If printing this list, you may need to adjust your page setup in MS Excel. Try using landscape orientation, page scaling, and/or legal sized paper.

Submission Procedure:
When you are finished, send a saved copy to your FRB contact. See the detailed instructions on this site for more information.
If you are e-mailing this to your FRB contact, put your institution name, city and state in the subject line of the e-mail.

Note:
To satisfy the FR Y-10 reporting requirements, you must also submit FR Y-10 Domestic Branch Schedules for each branch with a Data Action of Change, Close, Delete, or Add.
The FR Y-10 report may be submitted in a hardcopy format or via the FR Y-10 Online application - https://fy1online.federalreserve.gov.

* FDIC UNIUM, Office Number, and ID_RSSD columns are for reference only. Verification of these values is not required.

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<th>Data Action</th>
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<th>Branch Service Type</th>
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<th>State</th>
<th>Zip Code</th>
<th>County</th>
<th>Country</th>
<th>FDIC UNUM</th>
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<th>Comments</th>
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<td>MERCHANTS NATIONAL BANK</td>
<td>100 NORTH HIGH STREET</td>
<td>HILLSBoro OH</td>
<td>45133</td>
<td>HIGHLAND</td>
<td>UNITED STATES</td>
<td>4423</td>
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<td>35732083</td>
<td>BATAVIA BRANCH</td>
<td>2033 HOSPITAL DRIVE</td>
<td>BATAVIA OH</td>
<td>45103</td>
<td>CLERMONT</td>
<td>UNITED STATES</td>
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<td>45121</td>
<td>BROWN</td>
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<td>441233</td>
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<td>HIGGINSBROOK OH</td>
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<td>change</td>
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<td>3841115</td>
<td>BEECH STREET BRANCH</td>
<td>145 WEST BEECH STREET</td>
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