

Edgar Filing: MERCANTILE BANK CORP - Form 8-K

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))

Item 2.05 Costs Associated with Exit or Disposal Activities.

On October 27, 2015, we approved a cost efficiency program that will include the closing of five branches during the first quarter of 2016 and staff reductions. The branches to be closed are Ashley, St. Louis (MI), Gull Road in Kalamazoo, Higgins Lake and M-30 in West Branch.

We are making these changes in the interest of operational efficiency. The affected branches are low traffic and deposit facilities, and we expect to fully serve the affected customers through our remaining branch network and extensive offering of electronic services.

As a result of the cost efficiency program, Mercantile Bank expects to record a total pre-tax charge of approximately \$0.9 million, which will occur primarily during the fourth quarter of 2015. This charge will consist of approximately \$0.76 million in severance payments and \$0.17 million in lease termination costs, a leasehold improvement write-off and disposition of furniture.

Projected savings as a result of the cost efficiency program are anticipated to be approximately \$2.7 million per year on a pre-tax basis.

Item 7.01 Regulation FD Disclosure.

On October 28, 2015, we issued a press release relating to our cost efficiency program. A copy of the press release is furnished as Exhibit 99.1 to this report and incorporated here by reference.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

Exhibit Number Description

99.1 Press release relating to cost efficiency program

Signatures

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.

Mercantile Bank Corporation

By: */s/ Charles E. Christmas*
Charles E. Christmas
Senior Vice President,
Chief Financial Officer and Treasurer

Date: October 28, 2015

Exhibit Index

Exhibit Number Description

99.1 Press release relating to cost efficiency program

4