
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): July 16, 2019

ISABELLA BANK CORPORATION

(Exact name of registrant as specified in its charter)

MICHIGAN
(State or other jurisdiction
of incorporation)

000-18415
(Commission
File Number)

38-2830092
(IRS Employer
Identification No.)

401 North Main Street, Mt. Pleasant, Michigan
(Address of principal executive offices)

48858-1649
(Zip Code)

Registrant's telephone number, including area code: (989) 772-9471

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).

Emerging growth company

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.

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
None	N/A	N/A

Section 5 - Corporate Governance and Management

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

(e) *The Stock Award Incentive Plan*

On July 18, 2019, the registrant amended the Isabella Bank Corporation Stock Award Incentive Plan (“Incentive Plan”) to change the potential payout formula from 10% of an employee’s wages to 20%.

The Employee Cash Incentive Plans

On July 16, 2019, the registrant amended the Isabella Bank Corporation Employee Cash Incentive Plans (“Cash Plan”) to change the potential payout formula from 10% of an employee’s wages to 20% for the executive employee's incentive plan which is for the registrant’s President and Chief Executive Officer, Chief Financial Officer and the Bank’s President.

The foregoing brief descriptions of the Incentive Plan amendment and the Cash Plan amendment are qualified in their entirety by reference to the text of the amended Incentive Plan, a copy of which is attached as Exhibit 10.1 and the text of the amended Cash Plan which is attached as Exhibit 10.2.

Section 9 - Financial Statements and Exhibits

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits:

Exhibit No.	Description
10.1	Isabella Bank Corporation Stock Award Incentive Plan
10.2	Isabella Bank Corporation Employee Cash Incentive Plans

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.

ISABELLA BANK CORPORATION

Dated: July 22, 2019

By: /s/ Jae A. Evans
Jae A. Evans, President & CEO

[\(Back To Top\)](#)

Section 2: EX-10.1 (EXHIBIT 10.1)

Exhibit 10.1



Stock Award Incentive Plan

Isabella Bank Corporation and each of its subsidiaries, which include Isabella Bank, adopts this equity incentive plan, to be called the Isabella Bank Corporation Stock Award Incentive Plan. The primary purpose of the plan is to promote the growth and profitability of the bank by attracting and retaining executive officers and key employees of outstanding competence through

ownership of equity that provides them with incentives to achieve corporate objectives.

Eligibility Requirements

- The plan is based on the calendar year.
- Eligible employees include the Bank Corporation President & Chief Executive Officer, Bank President, and Chief Financial Officer.
- New employees hired prior to October 1st of the plan year will be eligible. Employees hired after October 1st will not be eligible until the next calendar year.
- In order to receive the stock award, an employee must be actively employed on December 31st of the incentive plan year.
- Retirements that occur during the plan year are eligible.
- No payouts will be made under this plan to an employee who has been terminated for misconduct, even if they were eligible according to dates of employment.
- In order to receive the stock payment the employee must have received a score of "Effective" or higher on their most recent evaluation.
- The incentive stock payment is calculated using wages paid for hours worked, or in replacement of hours worked, during the plan year. These include regular time, overtime, holiday, bereavement, jury duty, sick or short term disability days, and wages for training employees. Other incentives, bonuses, commissions or payments made via payroll will be excluded from the incentive plan calculation.

Stock Award Incentive Plan Details

- The plan is based on the calendar year.
- The incentive stock plan payout potential is 20% of an employee's wage.
 - 35% of the 20% incentive potential is based on employee completion of the yearly goals set by their supervisor or the Board of Directors.
 - 65% of the 20% incentive potential is based on the corporate performance objectives set by their supervisor or the Board of Directors.
 - Plan goals/rules are set annually and subject to change at the discretion of the Board of Directors.

Grant Conditions

The grant of stock shares is subject to the grant conditions set forth. The shares will be issued only upon the satisfaction of the yearly performance measures and associated performance targets set by the Board of Directors. If the grant conditions set by the Board of Directors are not satisfied as required, then this award and the grant of the shares shall lapse or be adjusted appropriately at the discretion of the Board of Directors.

Vesting

Granted shares shall be considered 100% vested in terms of ownership, common voting rights in all matters, rights to dividends, and any necessary tax considerations as a result of stock ownership.

Restrictions on Transfer

Stock shares granted under the plan may not be sold, transferred, pledged, or assigned prior to the grantee satisfying one of the following conditions: the employee's retirement, voluntary/involuntary separation from service with or without cause, or death or disability while an employee of the company.

The Company, acting through its authorized officer, has adopted this Plan effective as of January 1, 2019.

By: /s/ David J. Maness

Name: David J. Maness

Title: Chairman, Isabella Bank Corporation Board of Directors

Date: July 18, 2019

[\(Back To Top\)](#)

Section 3: EX-10.2 (EXHIBIT 10.2)

Exhibit 10.2



Employee Cash Incentive Plans

Isabella Bank Corporation and each of its subsidiaries, which include Isabella Bank, adopt this incentive plan, to be called the Isabella Bank Corporation Employee Cash Incentive Plans. The primary purpose of the plan is to promote the growth and profitability of the bank by attracting and retaining employees of outstanding competence which provides them with incentives to achieve corporate objectives.

General Eligibility Requirements for all Plans:

- The plan is based on the calendar year.
- Eligible employees include non-commission part-time and full-time employees. Commission based employees such as, but not limited to, Mortgage Loan Originators are not eligible for this incentive plan.
- New employees hired prior to October 1st of the plan year will be eligible. Employees hired after October 1st will not be eligible until the next calendar year.
- In order to receive the incentive payment an employee must be employed on December 31st of the incentive plan year.
- Retirements that occur during the plan year are eligible.
- No payouts will be made under this plan to an employee who has been terminated for misconduct, even if they were eligible according to dates of employment.
- The incentive payment is calculated using wages paid for hours worked, or in replacement of hours worked, during the plan year. These include regular time, overtime, holiday, bereavement, jury duty, sick or short term disability days, and wages for training employees. Other incentives, bonuses, commissions or payments made via payroll will be excluded from the incentive plan calculation.
- In order to receive the payout the employee must have received a score of "Effective" or higher on their most recent evaluation.

Executive Employee Incentive Plan

- Executive positions include the Bank Corporation President & Chief Executive Officer, Bank President, and Chief Financial Officer.
- The incentive plan payout potential is 20% of an employee's wage.
 - 35% of the 20% incentive potential is based on employee completion of the yearly goals set by their supervisor or the Board of Directors.
 - 65% of the 20% incentive potential is based on the corporate performance objectives set by the Board of Directors.
 - Plan goals/rules are set annually and subject to change at the discretion of the Board of Directors.

The Company, acting through its authorized officer, has adopted this Plan effective as of January 1, 2019.

By: /s/ David J. Maness

Name: David J. Maness

Title: Chairman, Isabella Bank Corporation Board of Directors

Date: July 16, 2019

[\(Back To Top\)](#)