

Form 5500-SF Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Short Form Annual Return/Report of Small Employee Benefit Plan This form is required to be filed under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA), and sections 6057(b) and 6058(a) of the Internal Revenue Code (the Code). ▶ Complete all entries in accordance with the instructions to the Form 5500-SF.	OMB Nos. 1210-0110 1210-0089 2011 This Form is Open to Public Inspection
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Part I	Annual Report Identification Information
For calendar plan year 2011 or fiscal plan year beginning <u>01/01/2011</u> and ending <u>12/31/2011</u>	
A This return/report is for:	☒ a single-employer plan ☐ a multiple-employer plan (not multiemployer) ☐ a one-participant plan
B This return/report is:	☐ the first return/report ☐ the final return/report ☐ an amended return/report ☐ a short plan year return/report (less than 12 months)
C Check box if filing under:	☐ Form 5558 ☐ automatic extension ☐ DFVC program ☐ special extension (enter description)

Part II	Basic Plan Information —enter all requested information
1a Name of plan EMPLOYEES' PENSION PLAN OF GERMAN AMERICAN BANCORP, INC.	1b Three-digit plan number (PN) ▶ <u>002</u>
	1c Effective date of plan <u>04/01/1961</u>
2a Plan sponsor's name and address; include room or suite number (employer, if for a single-employer plan) GERMAN AMERICAN BANCORP, INC. 711 MAIN STREET, P.O. BOX 810 JASPER, IN 47547-0810	2b Employer Identification Number (EIN) <u>35-1547518</u> 2c Sponsor's telephone number <u>812-482-1314</u> 2d Business code (see instructions) <u>522110</u>
3a Plan administrator's name and address (if same as plan sponsor, enter "Same") GERMAN AMERICAN BANCORP, INC. 711 MAIN STREET, P.O. BOX 810 JASPER, IN 47547-0810	3b Administrator's EIN <u>35-1547518</u> 3c Administrator's telephone number <u>812-482-1314</u>
4 If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN, and the plan number from the last return/report. a Sponsor's name	4b EIN 4c PN
5a Total number of participants at the beginning of the plan year	5a <u>29</u>
b Total number of participants at the end of the plan year.....	5b <u>27</u>
c Number of participants with account balances as of the end of the plan year (defined benefit plans do not complete this item).....	5c
6a Were all of the plan's assets during the plan year invested in eligible assets? (See instructions.)	☒ Yes ☐ No
b Are you claiming a waiver of the annual examination and report of an independent qualified public accountant (IQPA) under 29 CFR 2520.104-46? (See instructions on waiver eligibility and conditions.).....	☒ Yes ☐ No
If you answered "No" to either 6a or 6b, the plan cannot use Form 5500-SF and must instead use Form 5500.	

Part III	Financial Information
7 Plan Assets and Liabilities	
a Total plan assets	7a <u>319611</u>
b Total plan liabilities	7b
c Net plan assets (subtract line 7b from line 7a).....	7c <u>319611</u>
8 Income, Expenses, and Transfers for this Plan Year	
a Contributions received or receivable from:	(a) Amount
(1) Employers	8a(1) <u>66000</u>
(2) Participants	8a(2)
(3) Others (including rollovers).....	8a(3)
b Other income (loss).....	8b <u>411</u>
c Total income (add lines 8a(1), 8a(2), 8a(3), and 8b)	8c <u>66411</u>
d Benefits paid (including direct rollovers and insurance premiums to provide benefits).....	8d <u>33290</u>
e Certain deemed and/or corrective distributions (see instructions)....	8e
f Administrative service providers (salaries, fees, commissions)	8f
g Other expenses.....	8g
h Total expenses (add lines 8d, 8e, 8f, and 8g).....	8h <u>33290</u>
i Net income (loss) (subtract line 8h from line 8c).....	8i <u>33121</u>
j Transfers to (from) the plan (see instructions)	8j

Part IV Plan Characteristics**9a** If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristic Codes in the instructions:

1A 1G 1I 3D

b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristic Codes in the instructions:**Part V Compliance Questions**

	Yes	No	Amount
10 During the plan year:			
a Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? (See instructions and DOL's Voluntary Fiduciary Correction Program)		X	
b Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 10a.)		X	
c Was the plan covered by a fidelity bond?	X		10000000
d Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?		X	
e Were any fees or commissions paid to any brokers, agents, or other persons by an insurance carrier, insurance service or other organization that provides some or all of the benefits under the plan? (See instructions.)		X	
f Has the plan failed to provide any benefit when due under the plan?		X	
g Did the plan have any participant loans? (If "Yes," enter amount as of year end.)		X	
h If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)			
i If 10h was answered "Yes," check the box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3			

Part VI Pension Funding Compliance

11 Is this a defined benefit plan subject to minimum funding requirements? (If "Yes," see instructions and complete Schedule SB (Form 5500)). ☒ Yes ☐ No

12 Is this a defined contribution plan subject to the minimum funding requirements of section 412 of the Code or section 302 of ERISA? .. ☐ Yes ☒ No
(If "Yes," complete 12a or 12b, 12c, 12d, and 12e below, as applicable.)

a If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions, and enter the date of the letter ruling granting the waiver. Month _____ Day _____ Year _____

If you completed line 12a, complete lines 3, 9, and 10 of Schedule MB (Form 5500), and skip to line 13.

b Enter the minimum required contribution for this plan year	12b	
c Enter the amount contributed by the employer to the plan for this plan year	12c	
d Subtract the amount in line 12c from the amount in line 12b. Enter the result (enter a minus sign to the left of a negative amount)	12d	

e Will the minimum funding amount reported on line 12d be met by the funding deadline?

Part VII Plan Terminations and Transfers of Assets

13a Has a resolution to terminate the plan been adopted in any plan year?

If "Yes," enter the amount of any plan assets that reverted to the employer this year **13a**

b Were all the plan assets distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?

c If during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)

13c(1) Name of plan(s):	13c(2) EIN(s)	13c(3) PN(s)

Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including, if applicable, a Schedule SB or Schedule MB completed and signed by an enrolled actuary, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

SIGN HERE	Filed with authorized/valid electronic signature.	07/23/2012	BRADLEY RUST
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor

SCHEDULE SB (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Single-Employer Defined Benefit Plan Actuarial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500 or 5500-SF.	OMB No. 1210-0110 2011 This Form is Open to Public Inspection
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For calendar plan year 2011 or fiscal plan year beginning 01/01/2011 and ending 12/31/2011

▶ **Round off amounts to nearest dollar.**

▶ **Caution:** A penalty of \$1,000 will be assessed for late filing of this report unless reasonable cause is established.

A Name of plan <u>EMPLOYEES' PENSION PLAN OF GERMAN AMERICAN BANCORP, INC.</u>	B Three-digit plan number (PN) ▶ <u>002</u>
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF <u>GERMAN AMERICAN BANCORP, INC.</u>	D Employer Identification Number (EIN) <u>35-1547518</u>
E Type of plan: ☒ Single ☐ Multiple-A ☐ Multiple-B	F Prior year plan size: ☒ 100 or fewer ☐ 101-500 ☐ More than 500

Part I	Basic Information
1	Enter the valuation date: Month <u>01</u> Day <u>01</u> Year <u>2011</u>
2	Assets:
a	Market value 2a <u>319611</u>
b	Actuarial value 2b <u>319611</u>
3	Funding target/participant count breakdown:
	(1) Number of participants (2) Funding Target
a	For retired participants and beneficiaries receiving payment 3a <u>10</u> <u>265217</u>
b	For terminated vested participants 3b <u>2</u> <u>37244</u>
c	For active participants:
(1)	Non-vested benefits 3c(1) <u>81</u>
(2)	Vested benefits 3c(2) <u>289661</u>
(3)	Total active 3c(3) <u>17</u> <u>289742</u>
d	Total 3d <u>29</u> <u>592203</u>
4	If the plan is in at-risk status, check the box and complete lines (a) and (b) ☐
a	Funding target disregarding prescribed at-risk assumptions 4a
b	Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been in at-risk status for fewer than five consecutive years and disregarding loading factor 4b
5	Effective interest rate 5 <u>5.64 %</u>
6	Target normal cost 6 <u>0</u>

Statement by Enrolled Actuary

To the best of my knowledge, the information supplied in this schedule and accompanying schedules, statements and attachments, if any, is complete and accurate. Each prescribed assumption was applied in accordance with applicable law and regulations. In my opinion, each other assumption is reasonable (taking into account the experience of the plan and reasonable expectations) and such other assumptions, in combination, offer my best estimate of anticipated experience under the plan.

SIGN HERE	<u>07/18/2012</u>
Signature of actuary <u>CHARLES D. MUNSELL, III, EA, MSPA</u>	Date <u>11-04745</u>
Type or print name of actuary <u>NYHART</u>	Most recent enrollment number <u>317-845-3570</u>
Firm name <u>8415 ALLISON POINTE BOULEVARD</u> <u>SUITE 300</u> <u>INDIANAPOLIS, IN 46250-4159</u>	Telephone number (including area code)
Address of the firm	

If the actuary has not fully reflected any regulation or ruling promulgated under the statute in completing this schedule, check the box and see instructions ☐

For Paperwork Reduction Act Notice and OMB Control Numbers, see the instructions for Form 5500 or 5500-SF.

Schedule SB (Form 5500) 2011
v.012611

Part II Beginning of year carryover and prefunding balances		
	(a) Carryover balance	(b) Prefunding balance
7 Balance at beginning of prior year after applicable adjustments (line 13 from prior year)	0	10947
8 Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	0	
9 Amount remaining (line 7 minus line 8)	0	10947
10 Interest on line 9 using prior year's actual return of <u>0.56</u> %	0	61
11 Prior year's excess contributions to be added to prefunding balance:		
a Present value of excess contributions (line 38 from prior year)		1144
b Interest on (a) using prior year's effective rate of <u>6.41</u> % except as otherwise provided (see instructions)		73
c Total available at beginning of current plan year to add to prefunding balance.....		1217
d Portion of (c) to be added to prefunding balance.....		1217
12 Other reductions in balances due to elections or deemed elections	0	0
13 Balance at beginning of current year (line 9 + line 10 + line 11d – line 12).....	0	12225

Part III Funding percentages		
14 Funding target attainment percentage.....	14	51.90 %
15 Adjusted funding target attainment percentage.....	15	51.90 %
16 Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement.....	16	50.75 %
17 If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage.....	17	53.96 %

Part IV Contributions and liquidity shortfalls					
18 Contributions made to the plan for the plan year by employer(s) and employees:					
(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees
03/15/2011	16500	0			
06/27/2011	16500	0			
09/21/2011	16500	0			
12/28/2011	16500	0			
			Totals ►	18(b)	66000
				18(c)	0

19 Discounted employer contributions – see instructions for small plan with a valuation date after the beginning of the year:		
a Contributions allocated toward unpaid minimum required contributions from prior years.	19a	0
b Contributions made to avoid restrictions adjusted to valuation date	19b	0
c Contributions allocated toward minimum required contribution for current year adjusted to valuation date	19c	63875
20 Quarterly contributions and liquidity shortfalls:		
a Did the plan have a "funding shortfall" for the prior year? ☒ Yes ☐ No		
b If 20a is "Yes," were required quarterly installments for the current year made in a timely manner? ☒ Yes ☐ No		
c If 20a is "Yes," see instructions and complete the following table as applicable:		

Liquidity shortfall as of end of quarter of this plan year			
(1) 1st	(2) 2nd	(3) 3rd	(4) 4th

Part V Assumptions used to determine funding target and target normal cost

21 Discount rate:				
a Segment rates:	1st segment: 2.94%	2nd segment: 5.82%	3rd segment: 6.46 %	☐ N/A, full yield curve used
b Applicable month (enter code)				21b 0
22 Weighted average retirement age				22 65
23 Mortality table(s) (see instructions) ☒ Prescribed - combined ☐ Prescribed - separate ☐ Substitute				

Part VI Miscellaneous items

24 Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment.	☐ Yes ☒ No
25 Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment.	☐ Yes ☒ No
26 Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment.....	☒ Yes ☐ No
27 If the plan is eligible for (and is using) alternative funding rules, enter applicable code and see instructions regarding attachment.....	27

Part VII Reconciliation of unpaid minimum required contributions for prior years

28 Unpaid minimum required contributions for all prior years	28	0
29 Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (line 19a).....	29	0
30 Remaining amount of unpaid minimum required contributions (line 28 minus line 29)	30	0

Part VIII Minimum required contribution for current year

31 Target normal cost and excess assets (see instructions):			
a Target normal cost (line 6)	31a	0	
b Excess assets, if applicable, but not greater than 31a	31b	0	
32 Amortization installments:	Outstanding Balance	Installment	
a Net shortfall amortization installment	284817	63197	
b Waiver amortization installment	0	0	
33 If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount	33		
34 Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33)...	34	63197	
	Carryover balance	Prefunding balance	Total balance
35 Balances elected for use to offset funding requirement.....			0
36 Additional cash requirement (line 34 minus line 35)	36	63197	
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c)	37	63875	
38 Present value of excess contributions for current year (see instructions)			
a Total (excess, if any, of line 37 over line 36)	38a	678	
b Portion included in line 38a attributable to use of prefunding and funding standard carryover balances	38b	0	
39 Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37)	39	0	
40 Unpaid minimum required contributions for all years.....	40	0	

Part IX Pension funding relief under Pension Relief Act of 2010 (see instructions)

41 If a shortfall amortization base is being amortized pursuant to an alternative amortization schedule:			
a Schedule elected	☐ 2 plus 7 years ☐ 15 years		
b Eligible plan year(s) for which the election in line 41a was made	☐ 2008 ☐ 2009 ☐ 2010 ☐ 2011		
42 Amount of acceleration adjustment	42		
43 Excess installment acceleration amount to be carried over to future plan years	43		

Active Participant Schedule

Active participant information grouped based on age and service.

Service

Age	Under 1	1 to 4	5 to 9	10 to 14	15 to 19	20 to 24	25 to 29	30 to 34	35 to 39	40 & up
Under 25	0	0	0	0	0	0	0	0	0	0
25 to 29	0	0	0	0	0	0	0	0	0	0
30 to 34	0	0	0	0	0	0	0	0	0	0
35 to 39	0	0	1	0	0	0	0	0	0	0
40 to 44	1	0	3	1	0	0	0	0	0	0
45 to 49	0	0	0	0	2	0	0	0	0	0
50 to 54	0	1	0	0	0	0	0	0	0	0
55 to 59	0	1	1	2	0	0	1	0	0	0
60 to 64	0	0	1	0	1	0	0	1	0	0
65 to 69	0	0	0	0	0	0	0	0	0	0
70 & up	0	0	0	0	0	0	0	0	0	0

German American Bancorp, Inc.
Actuarial Valuation as of January 1, 2011
Actuarial Assumptions

Retirement Rates

<u>Age</u>	<u>Rate</u>
65	100%

Mortality Rates

Healthy	IRS 2011 Combined Static Mortality
Disabled	IRS 2011 Combined Static Mortality
Lump Sum Mortality	2011 Applicable Mortality

Disability Rates

None

Withdrawal Rates

Table T-11 less GA51 Male

<u>Age</u>	<u>Rate</u>
20	24.9%
30	23.2%
40	17.7%
50	9.7%

Annual Pay Increases

0%

Interest Rates

	1 st Segment (0-5 years)	2 nd Segment (5-20 years)	3 rd Segment (20+ years)
Funding	2.94%	5.82%	6.46%
Lump Sum	2.94%	5.82%	6.46%
PBGC	2.94%	5.82%	6.46%
Actuary's Long-Term Rate	7.00%	7.00%	7.00%
FAS35	7.00%	7.00%	7.00%

German American Bancorp, Inc.
 Actuarial Valuation as of January 1, 2011
 Actuarial Assumptions

Payment Form Election	
Lump Sum	90%
Annuity	10%
Expense and/or Contingency Loading	No Administrative expenses are assumed to be paid from the trust during 2011.
Marital Status and Ages	80% of Participants assumed to be married with wives assumed to be 3 years younger than husbands.
Asset Valuation Method	Market Value of Assets

**SCHEDULE SB
(Form 5500)**Department of the Treasury
Internal Revenue ServiceDepartment of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

**Single-Employer Defined Benefit Plan
Actuarial Information**

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500 or 5500-SF.**

OMB No. 1210-0110

2011**This Form is Open to Public
Inspection**For calendar plan year 2011 or fiscal plan year beginning 01/01/2011 and ending 12/31/2011▶ **Round off amounts to nearest dollar.**▶ **Caution:** A penalty of \$1,000 will be assessed for late filing of this report unless reasonable cause is established.

A Name of plan Employees' Pension Plan of German American Bancorp, Inc.	B Three-digit plan number (PN) ▶ 002
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF German American Bancorp, Inc.	D Employer Identification Number (EIN) 35-1547518
E Type of plan: ☒ Single ☐ Multiple-A ☐ Multiple-B	F Prior year plan size: ☒ 100 or fewer ☐ 101-500 ☐ More than 500

Part I Basic Information

1 Enter the valuation date: Month <u>01</u> Day <u>01</u> Year <u>2011</u>		
2 Assets:		
a Market value	2a	319611
b Actuarial value	2b	319611
3 Funding target/participant count breakdown:	(1) Number of participants	(2) Funding Target
a For retired participants and beneficiaries receiving payment	3a 10	265217
b For terminated vested participants	3b 2	37244
c For active participants:		
(1) Non-vested benefits	3c(1)	81
(2) Vested benefits	3c(2)	289661
(3) Total active	3c(3) 17	289742
d Total	3d 29	592203
4 If the plan is in at-risk status, check the box and complete lines (a) and (b)..... ☐		
a Funding target disregarding prescribed at-risk assumptions	4a	
b Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been in at-risk status for fewer than five consecutive years and disregarding loading factor	4b	
5 Effective interest rate	5	5.64%
6 Target normal cost	6	0

Statement by Enrolled Actuary

To the best of my knowledge, the information supplied in this schedule and accompanying schedules, statements and attachments, if any, is complete and accurate. Each prescribed assumption was applied in accordance with applicable law and regulations. In my opinion, each other assumption is reasonable (taking into account the experience of the plan and reasonable expectations) and such other assumptions, in combination, offer my best estimate of anticipated experience under the plan.

SIGN HERE		<u>07/18/2012</u>
Signature of actuary		Date
Charles D. Munsell, III, EA, MSPA		1104745
Type or print name of actuary		Most recent enrollment number
Nyhart		317-845-3570
Firm name		Telephone number (including area code)
8415 Allison Pointe Boulevard Suite 300 Indianapolis IN 46250-4159		
Address of the firm		

If the actuary has not fully reflected any regulation or ruling promulgated under the statute in completing this schedule, check the box and see instructions ☐

For Paperwork Reduction Act Notice and OMB Control Numbers, see the instructions for Form 5500 or 5500-SF.

Schedule SB (Form 5500) 2011
v.012611

	(a) Carryover balance	(b) Prefunding balance
7 Balance at beginning of prior year after applicable adjustments (line 13 from prior year)	0	10947
8 Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	0	
9 Amount remaining (line 7 minus line 8)	0	10947
10 Interest on line 9 using prior year's actual return of <u>0.56%</u>	0	61
11 Prior year's excess contributions to be added to prefunding balance:		
a Present value of excess contributions (line 38 from prior year)		1144
b Interest on (a) using prior year's effective rate of <u>6.41%</u> except as otherwise provided (see instructions)		73
c Total available at beginning of current plan year to add to prefunding balance		1217
d Portion of (c) to be added to prefunding balance		1217
12 Other reductions in balances due to elections or deemed elections	0	0
13 Balance at beginning of current year (line 9 + line 10 + line 11d – line 12)	0	12225

14	Funding target attainment percentage.....	14	51.90 %
15	Adjusted funding target attainment percentage.....	15	51.90 %
16	Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement.....	16	50.75 %
17	If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage.	17	53.96 %

18 Contributions made to the plan for the plan year by employer(s) and employees:							
(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees		
03/15/2011	16500	0					
06/27/2011	16500	0					
09/21/2011	16500	0					
12/28/2011	16500	0					
			Totals ►	18(b)	66000	18(c)	0

a Contributions allocated toward unpaid minimum required contributions from prior years.....	19a	0
b Contributions made to avoid restrictions adjusted to valuation date.....	19b	0
c Contributions allocated toward minimum required contribution for current year adjusted to valuation date.....	19c	63875

a Did the plan have a "funding shortfall" for the prior year? ☒ Yes ☐ No

b If 20a is "Yes," were required quarterly installments for the current year made in a timely manner? ☒ Yes ☐ No

c If 20a is "Yes," see instructions and complete the following table as applicable:

Liquidity shortfall as of end of quarter of this plan year			
(1) 1st	(2) 2nd	(3) 3rd	(4) 4th

Part V Assumptions used to determine funding target and target normal cost

21 Discount rate:			
a Segment rates:	1st segment: 2.94%	2nd segment: 5.82%	3rd segment: 6.46%
			☐ N/A, full yield curve used
b Applicable month (enter code)			21b 0
22 Weighted average retirement age			22 65
23 Mortality table(s) (see instructions) ☒ Prescribed - combined ☐ Prescribed - separate ☐ Substitute			

Part VI Miscellaneous items

24 Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment.		☐ Yes ☒ No
25 Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment.		☐ Yes ☒ No
26 Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment.		☒ Yes ☐ No
27 If the plan is eligible for (and is using) alternative funding rules, enter applicable code and see instructions regarding attachment	27	

Part VII Reconciliation of unpaid minimum required contributions for prior years

28 Unpaid minimum required contributions for all prior years	28	0
29 Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (line 19a)	29	0
30 Remaining amount of unpaid minimum required contributions (line 28 minus line 29)	30	0

Part VIII Minimum required contribution for current year

31 Target normal cost and excess assets (see instructions):			
a Target normal cost (line 6)		31a	0
b Excess assets, if applicable, but not greater than 31a		31b	0
32 Amortization installments:		Outstanding Balance	Installment
a Net shortfall amortization installment		284817	63197
b Waiver amortization installment		0	0
33 If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount		33	
34 Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33) ..		34	63197
	Carryover balance	Prefunding balance	Total balance
35 Balances elected for use to offset funding requirement			0
36 Additional cash requirement (line 34 minus line 35)	36		63197
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c)	37		63875
38 Present value of excess contributions for current year (see instructions)			
a Total (excess, if any, of line 37 over line 36)		38a	678
b Portion included in line 38a attributable to use of prefunding and funding standard carryover balances		38b	0
39 Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37)	39		0
40 Unpaid minimum required contributions for all years	40		0

Part IX Pension funding relief under Pension Relief Act of 2010 (see instructions)

41 If a shortfall amortization base is being amortized pursuant to an alternative amortization schedule:			
a Schedule elected		☐ 2 plus 7 years ☐ 15 years	
b Eligible plan year(s) for which the election in line 41a was made		☐ 2008 ☐ 2009 ☐ 2010 ☐ 2011	
42 Amount of acceleration adjustment	42		
43 Excess installment acceleration amount to be carried over to future plan years	43		

SCHEDULE SB – STATEMENT BY ENROLLED ACTUARY

German American Bancorp, Inc.
Employees' Pension Plan of German American Bancorp, Inc.
Plan Year Ending December 31, 2011

EIN: 35-1547518
Plan No.: 002

To the best of our knowledge the information supplied in the attached Schedule SB is complete and accurate. In our opinion, the assumptions are reasonably related to the experience of the plan and to reasonable expectations, and in combination represent our best estimate of anticipated experience under the plan.

The information on which this Schedule SB is based has been reconciled and reviewed for reasonableness and we are not aware of any material inadequacy in employee census or asset values which have been furnished by the employer and the trustee, respectively. Our review was not performed at the source, and we therefore do not accept responsibility for the accuracy or completeness of the data.

Since the last valuation there have been no changes in principal eligibility or benefit provisions.

The actuarial assumptions used to measure the plan's liabilities have been changed from those used last year. Specifically, the funding interest rate has been changed to comply with the Pension Protection Act. This change does not require IRS approval.

To the best of our knowledge, no event has occurred after the last valuation date which will have a significant impact on the results the next valuation.

Nyhart



Charles D. Munsell, III, EA, MSPA
Enrolled Actuary No. 11-04745

July 18, 2012

Plan Status

Benefit accruals have been frozen for all participants.

Eligibility for Participation

An employee shall become a participant on the January 1st following (1) completion of six months of employment and (2) reaching age 20 1/2.

In no event will an employee become a participant after April 1, 1998.

Accrual of Benefits

A participant shall accumulate a benefit payable at Normal Retirement Date based on Compensation as of the date of determination of the accrued benefit and benefit service expected to be earned to Normal Retirement Date, multiplied by a fraction the numerator of which is benefit service earned to the date of determination and the denominator of which is benefit service expected to be earned to Normal Retirement Date.

Benefit accruals are frozen as of December 31, 1998.

Benefits

Normal Retirement

Eligibility Age 65 or the fifth anniversary of plan participation, if later

Benefit 45.75% of plan compensation, reduced by 1/20 for each year that credited service at normal retirement date is less than 20 years.

Early Retirement

- | | |
|-------------|--|
| Eligibility | Age 55 and 15 years of credited service. |
| Benefit | Accrued Benefit reduced 5% for each full year by which the participant's early retirement date precedes his normal retirement date. Participants from the CIRB Retirement Plan have their benefits reduced by 0.5% for each of the first 60 months and .33% for each additional month by which the participant's early retirement date precedes his normal retirement. |

Late Retirement

- | | |
|-------------|---|
| Eligibility | Participation continues after normal retirement date. |
| Benefit | Greater of accrued retirement benefit commencing as of the first day of the month following his late retirement date based on plan compensation and credited service at such date or accrued benefit as of normal retirement date actuarially increased for delayed commencement. |

Death before Retirement

- | | |
|-------------|---|
| Eligibility | (1) Active participant with eligible spouse or dependent children.
(2) Active participant with vested benefit. In addition, the participant must have been married one year. |
| Benefit | (1) Beneficiary receives 40% of expected pension at normal retirement date, payable for a period not to exceed the beneficiary's lifetime or 60 to 180 months, if less, if the deceased participant was between 34 to 44 years of age at date of death. If greater, the spouse receives the Qualified Pre-retirement Survivor Annuity.
(2) Spouse receives the Qualified Pre-retirement Survivor Annuity or if greater, the benefit under (1) payable as a life annuity. |

Termination Benefit

Eligibility A participant's Accrued Benefit is 100% vested after 5 years of Credited Service.

Benefit Accrued retirement benefit payable at participant's normal retirement date.

Compensation

Average of W-2 compensation for the five consecutive calendar years producing the highest average. No compensation earned after December 31, 1998, is recognized.

Credited Service

For Eligibility

A year of eligibility service is credited for each plan year in which a participant is credited with 1,000 hours of service.

For Vesting

A year of vesting service is credited for each plan year in which a participant is credited with 1,000 hours of service.

For Benefit Accrual

A year of benefit service is credited for each plan year in which a participant is credited with 1,000 hours of service.
No service completed after December 31, 1998, shall be recognized.

Employee Contributions

Participants shall not be required or permitted to make contributions under the Plan.

Payment Forms

Normal Form

A single life annuity for single participants. The normal retirement benefit shall be payable to married participants in the form of an actuarially equivalent qualified joint and 50% survivor annuity.

Optional Forms

5, 10, 15 or 20 Year Certain and Life Annuity, Lump Sum, 50%, 75% and 100% Joint and Survivor Annuity and benefits payable in equal installments for 5, 10, 15 or 20 years guaranteed.

Development of Shortfall Amortization Charge (continued)

Type of Base	Present Value of Remaining Installments	Valuation Date Established	Years Remaining	Amortization Installment
Shortfall	\$ 64,309	1/1/2011	7	\$ 10,392
Shortfall	\$ 104,675	1/1/2010	6	\$ 19,115
Shortfall	\$(70,327)	1/1/2009	5	\$(14,892)
Shortfall	\$ 186,160	1/1/2008	4	\$ 48,582
	<u>\$ 284,817</u>			<u>\$ 63,197</u>

Changes since Prior Valuation and Key Notes

There have been no changes to the plan provisions since the last valuation.

The interest rates and mortality assumptions have been updated as required under the Pension Protection Act and IRS Regulations.

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