



Annual Report of Holding Companies—FR Y-6

ETV
4/25/16
5/19/16

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)); Section 8(a) of the International Banking Act (12 U.S.C. § 3106(a)); Sections 11(a)(1), 25 and 25A of the Federal Reserve Act (12 U.S.C. §§ 248(a)(1), 602, and 611a); Section 211.13(c) of Regulation K (12 C.F.R. § 211.13(c)); and Section 225.5(b) of Regulation Y (12 C.F.R. § 225.5(b)) and section 10(c)(2)(H) of the Home Owners' Loan Act. Return to the appropriate Federal Reserve Bank the original and the number of copies specified.

This report form is to be filed by all top-tier bank holding companies and top-tier savings and loan holding companies organized under U.S. law, and by any foreign banking organization that does not meet the requirements of and is not treated as a qualifying foreign banking organization under Section 211.23 of Regulation K (12 C.F.R. § 211.23). (See page one of the general instructions for more detail of who must file.) The Federal Reserve may not conduct or sponsor, and an organization (or a person) is not required to respond to, an information collection unless it displays a currently valid OMB control number.

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.

I, Geoffrey R. Hesslink
Name of the Holding Company Director and Official
President & CEO

Title of the Holding Company Director and Official

I attest that the *Annual Report of Holding Companies* (including the supporting attachments) for this report date has been prepared in conformance with the instructions issued by the Federal Reserve System and are true and correct to the best of my knowledge and belief.

With respect to information regarding individuals contained in this report, the Reporter certifies that it has the authority to provide this information to the Federal Reserve. The Reporter also certifies that it has the authority, on behalf of each individual, to consent or object to public release of information regarding that individual. The Federal Reserve may assume, in the absence of a request for confidential treatment submitted in accordance with the Board's "Rules Regarding Availability of Information," 12 C.F.R. Part 261, that the Reporter and individual consent to public release of all details in the report concerning that individual.

Signature of Holding Company Director and Official

3/29/16

Date of Signature

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

RSSD ID 1023239
C.I. _____

Date of Report (top-tier holding company's fiscal year-end):
December 31, 2015

Month / Day / Year

549300H4PJX5C0VGE828

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

Reporter's Name, Street, and Mailing Address
Merchants Bancshares, Inc.

Legal Title of Holding Company

275 Kennedy Drive

(Mailing Address of the Holding Company) Street / P.O. Box

South Burlington

City

VT

State

05403

Zip Code

Physical Location (if different from mailing address)

Person to whom questions about this report should be directed:
Sue Letourneau **Sr. Accounting Specialist**

Name

Title

802-865-1696

Area Code / Phone Number / Extension

802-865-1975

Area Code / FAX Number

sletourneau@mbvt.com

E-mail Address

www.mbvt.com

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

Does the reporter request confidential treatment for any portion of this submission?

Yes Please identify the report items to which this request applies:

In accordance with the instructions on pages GEN-2 and 3, a letter justifying the request is being provided.

The information for which confidential treatment is sought is being submitted separately labeled "Confidential."

No

Form FRY-6

Merchants Bancshares, Inc.
275 Kennedy Drive
South Burlington, VT 05403
Fiscal Year Ending December 31, 2015

RECEIVED

MAR 23 2016

Supervision, Regulation and
Credit Department

Report Item 1: Annual Report to Shareholders

Reference is made to the enclosed copy of the 2015 annual report to shareholders on Form 10-K.

FR Y-6
Merchants Bancshares, Inc.
275 Kennedy Drive
South Burlington, VT 05403
Fiscal Year Ended December 31, 2015

Merchants Bancshares LEI: 549300H4PJX5C0VGE828
Merchants Bank LEI: 715DC7T3O7LCL55W5D37



Report Item 2a: Organization Chart

Designation	Organizational Structure	Comments
Holding Company	Merchants Bancshares, Inc. Organized Jan. 27, 1984 South Burlington, Vermont	Holding Company owns 100 percent of outstanding capital stock of Merchants Bank, 275 Kennedy Drive, South Burlington, VT 05403 Incorporated in Delaware
Bank Subsidiary	Merchants Bank Organized 1849 South Burlington, Vermont	Wholly owned subsidiary of Merchants Bancshares, Inc. Maintains 34 offices in Vermont Incorporated in Vermont
Trust	MBVT Statutory Trust I Organized December 15, 2004 South Burlington, Vermont	Wholly owned subsidiary of Merchants Bancshares, Inc., formed to issue non-voting capital securities Incorporated in Delaware
Exempt Organization	Merchants Bank Foundation, Inc. Organized September 11, 1962 South Burlington, Vermont	Exempt organization under IRC 501(c)(3), there is no equity relationship between this entity and Merchants Bancshares, Inc., or any of its subsidiaries Incorporated in Vermont

The following entities are held under Merchants Bank:

Securities Nominee Name	Merfarm & Co. LLC Organized April 19, 2012 South Burlington, Vermont	Manager Managed Limited Liability Company Incorporated in Vermont
Investment of Bank	64 School Street Housing Limited Partnership Organized November 05, 2003 Rutland, Vermont	Limited Partnership-Merchants Bank is 99% limited partner, Non-Voting Equity No Control Incorporated in Vermont
Investment of Bank	Blake Commons Housing Limited Partnership Organized August 5, 2009 Swanton, Vermont	Limited Partnership-Merchants Bank is 99% limited partner, Non-Voting Equity No Control Incorporated in Vermont
Investment of Bank	Bobbin Mill Limited Partnership Organized August 7, 2013 Burlington, Vermont	Limited Partnership-Merchants Bank is 30.50% limited partner - Non-Voting Equity No Control Incorporated in Vermont
Investment of Bank	Clark & Canal Streets Limited Partnership Organized June 5, 2001 Brattleboro, Vermont	Limited Partnership-Merchants Bank is 98.87% limited partner - Non-Voting Equity No Control Incorporated in Vermont
Investment of Bank	Colonial West Limited Partnership West Rutland, VT	Limited Partnership-Merchants Bank is 99% limited partner - Non-Voting Equity No Control

	Organized May 5, 2004	Incorporated in Vermont
Investment of Bank	Green Mountain Housing Equity Fund 2003 Limited Partnership Organized December 29, 2003 Burlington, Vermont	Limited Partnership-Merchants Bank is 5.36% limited partner - Non-Voting Equity No Control
		Incorporated in Vermont
Investment of Bank	Green Mountain Housing Equity Fund III Limited Partnership Organized August 29, 2007 Burlington, Vermont	Limited Partnership-Merchants Bank is 6% limited partner - Non-Voting Equity No Control
		Incorporated in Vermont
Investment of Bank	Green Mountain Equity Fund IV Limited Partnership Organized October 30, 2009 Burlington, Vermont	Merchants Bank is a limited partner in Vermont Equity Fund IV, through which Merchants Bank is 6% limited partner, Non-Voting Equity No Control
		Incorporated in Vermont
Investment of Bank	Green Mountain Equity Fund V Limited Partnership Organized November 30, 2011 Burlington, Vermont	Merchants Bank is a limited partner in Vermont Equity Fund V, through which Merchants Bank is 7.8424% limited partner, Non-Voting Equity No Control
		Incorporated in Vermont
Investment of Bank	Green Mountain Equity Fund VI Limited Partnership Organized August 15, 2014 Burlington, Vermont	Merchants Bank is a limited partner in Vermont Equity Fund VI, through which Merchants Bank is 8% limited partner, Non-Voting Equity No Control
		Incorporated in Vermont
Investment of Bank	Green Mountain Equity Fund VII Limited Partnership Organized September 17, 2015 Burlington, Vermont	Merchants Bank is a limited partner in Vermont Equity Fund VII, through which Merchants Bank is 7% limited partner, Non-Voting Equity No Control
		Incorporated in Vermont
Investment of Bank	Mill Brook Allocated Housing Limited Partnership Organized November 16, 2009 Windsor, Vermont	Limited Partnership-Merchants Bank is 11.11% limited partner, Non-Voting Equity No Control
		Incorporated in Vermont
Investment of Bank	NOTCH Investment Fund LLC Organized February 22, 2013 South Burlington, Vermont	At Will Limited Liability Company Incorporated in Vermont
Investment of Bank	PE3 Housing Limited Partnership Organized May 15, 2015 Brattleboro, Vermont	Limited Partnership-Merchants Bank is 99.9% limited partner - Non-Voting Equity No Control
		Incorporated in Vermont
Investment of Bank	Peterson Place Housing Limited Partnership Organized December 05, 2003 Burlington, Vermont	Limited Partnership-Merchants Bank is 99% limited partner - Non-Voting Equity No Control
		Incorporated in Vermont
Investment of Bank	River Bend Housing Associates, LP Organized September 28, 2009 Enosburg, Vermont	Limited Partnership-Merchants Bank is 95% limited partner, Non-Voting Equity No Control
		Incorporated in Vermont
Investment of Bank	Spring Elliot Valgar Limited Partnership Organized February 1, 2011 Brattleboro, Vermont	Limited Partnership-Merchants Bank is 50% limited partner - Non-Voting Equity No Control
		Incorporated in Vermont
Investment of Bank	Stanislaus Housing Limited Partnership Organized March 29, 2011 West Rutland, Vermont	Limited Partnership-Merchants Bank is 49.99% limited partner - Non-Voting Equity No Control
		Incorporated in Vermont
Investment of Bank	Western Avenue Housing Limited Partnership Organized December 17, 2001 Brattleboro, Vermont	Limited Partnership-Merchants Bank is 99% limited partner, Non-Voting Equity No Control
		Incorporated in Vermont

FR Y-6

Merchants Bancshares, Inc.
275 Kennedy Drive
South Burlington, VT 05403
Fiscal Year Ended December 31, 2015

Report Item 2b: Domestic Branch Listing

Submitted via email 02/03/16

Results: A list of branches for your depository institution: **MERCHANTS BANK**
 This depository institution is held by **MERCHANTS BANCSHARES, INC. (10232**
 The data are as of **12/31/2015**. Data reflects information that was received .

Reconciliation and Verification Steps

1. In the **Data Action** column of each branch row, enter one or more of the
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

Close: If a branch listed was sold or closed, enter 'Close' in the **Data Action**

Delete: If a branch listed was never owned by this depository institution, enter

Add: If a reportable branch is missing, insert a row, add the branch data, and

If printing this list, you may need to adjust your page setup in MS Excel. Try

Submission Procedure

When you are finished, send a saved copy to your FRB contact. See the details
 If you are e-mailing this to your FRB contact, put your institution name, city

Note:

To satisfy the **FR Y-10 reporting requirements**, you must also submit FR Y-10
 The FR Y-10 report may be submitted in a hardcopy format or via the FR Y-10

* FDIC UNINUM, Office Number, and ID_RSSD columns are for reference only

Data Action	Effective Date	Branch Service Type	Branch ID_RSSD*
Ok		Full Service (Head Office)	166803
Ok		Full Service	3733411
Ok		Full Service	572002
Ok		Limited Service	7401
Ok		Full Service	283308
Ok		Full Service	2048949
Ok		Full Service	281201
Ok		Full Service	167305

Ok		Full Service	3772205
Ok		Full Service	266600
Close	1/19/2016	Full Service	275200
Ok		Full Service	1003709
Ok		Full Service	2030298
Ok		Full Service	265005
Ok		Full Service	171209
Ok		Full Service	268707
Ok		Full Service	449506
Ok		Full Service	330604
Ok		Full Service	575704
Ok		Full Service	175403
Ok		Limited Service	579908
Ok		Full Service	458106
Ok		Full Service	2631734
Ok		Full Service	4076807
Ok		Full Service	3292776
Ok		Full Service	574109
Ok		Full Service	169402
Ok		Full Service	267102
Ok		Full Service	326700

Ok		Full Service	327202
Ok		Full Service	2458342
Ok		Full Service	168900
Ok		Limited Service	457604
Ok		Full Service	3488168
Ok		Full Service	3772214
Ok		Full Service	580100
Ok		Full Service	389406

K, THE (ID_RSSD: 166803).
:39) of SOUTH BURLINGTON, VT.
and processed through 01/07/2016.

actions specified below.

1n.

a, enter 'Change' in the **Data Action** column and the date when this information first became valid in the **Eff** column and the sale or closure date in the **Effective Date** column.

iter 'Delete' in the **Data Action** column.

d enter 'Add' in the **Data Action** column and the opening or acquisition date in the **Effective Date** column.

using landscape orientation, page scaling, and/or legal sized paper.

iled instructions on this site for more information.
and state in the subject line of the e-mail.

) Domestic Branch Schedules for each branch with a **Data Action** of **Change, Close, Delete, or Add**.
0 Online application - <https://y10online.federalreserve.gov>.

ly. Verification of these values is not required.

Popular Name	Street Address	City
MERCHANTS BANK, THE	275 KENNEDY DRIVE	SOUTH BURLINGTON
NUVO MAIN OFFICE BRANCH	1500 MAIN STREET	SPRINGFIELD
BARRE OFFICE	361 NORTH MAIN ST	BARRE
BELLOWS FALLS BRANCH	41 SQUARE	BELLOWS FALLS
BENNINGTON	210 NORTHSIDE DR	BENNINGTON
BRADFORD BRANCH	114 MAIN STREET	BRADFORD
BRATTLEBORO OFFICE	205 MAIN ST	BRATTLEBORO
BRISTOL BRANCH	15 WEST MAIN ST	BRISTOL

COLLEGE STREET BRANCH	172 COLLEGE ST	BURLINGTON
NORTH AVE BRANCH	1014 NORTH AVE	BURLINGTON
COLCHESTER BRANCH	22 BISSETTE ROAD	COLCHESTER
THETFORD BRANCH	2930 US ROUTE 5	EAST THETFORD
ENOSBURG FALLS BRANCH	371 MAIN STREET	ENOSBURG FALLS
ESSEX JUNCTION BRANCH	54 PEARL ST	ESSEX JUNCTION
FAIR HAVEN OFFICE	97 MAIN ST	FAIR HAVEN
HARDWICK BRANCH	84 VT ROUTE 15 WEST	HARDWICK
HINESBURG BRANCH	26 BALLARDS CORNER	HINESBURG
JERICO BRANCH	205 VT ROUTE 15	JERICO
JOHNSON BRANCH	103 LOWER MAIN E	JOHNSON
MANCHESTER BRANCH	4996 MAIN STREET	MANCHESTER CENTER
NORTH BENNINGTON BRANCH	5 BANK STREET	NORTH BENNINGTON
NORTHFIELD BRANCH	70 DEPOT SQUARE	NORTHFIELD
GREEN MOUNTAIN PLAZA BRANCH	286 ROUTE 7 SOUTH	RUTLAND
WOODSTOCK AVENUE BRANCH	92 WOODSTOCK AVENUE	RUTLAND
SAINT ALBANS BRANCH	180 SWANTON ROAD	SAINT ALBANS
SAINT JOHNSBURY BRANCH	481 PORTLAND STREET	SAINT JOHNSBURY
KENNEDY DRIVE BRANCH	275 KENNEDY DRIVE	SOUTH BURLINGTON
SHELBURNE ROAD OFFICE	929 SHELBURNE ROAD	SOUTH BURLINGTON
WILLISTON ROAD BRANCH	1309 WILLISTON ROAD	SOUTH BURLINGTON

SOUTH HERO BRANCH	301 US ROUTE 2	SOUTH HERO
SPRINGFIELD BRANCH	2 CHESTER ROAD SUITE 6	SPRINGFIELD
VERGENNES BRANCH	25 MONKTON ROAD	VERGENNES
WALLINGFORD BRANCH	137B NORTH MAIN STREET	WALLINGFORD
WATERBURY BRANCH	994 WATERBURY STOWE ROAD/RT 100	WATERBURY
WHITE RIVER JUNCTION BRANCH	25 RALPH LEHMAN DR	WHITE RIVER JUNCTION
WILMINGTON BRANCH	97 EAST MAIN STREET, ROUTE 9 WEST	WILMINGTON
WINOOSKI BRANCH	364 MAIN ST	WINOOSKI

fective Date column.

State	Zip Code	County	Country	FDIC UNINUM*	Office Number*
VT	05403	CHITTENDEN	UNITED STATES	Not Required	Not Required
MA	01103	HAMPDEN	UNITED STATES	Not Required	Not Required
VT	05641	WASHINGTON	UNITED STATES	8831	6
VT	05101	WINDHAM	UNITED STATES	Not Required	Not Required
VT	05201	BENNINGTON	UNITED STATES	Not Required	Not Required
VT	05033	ORANGE	UNITED STATES	48012	33
VT	05301	WINDHAM	UNITED STATES	209241	17
VT	05443	ADDISON	UNITED STATES	209212	5

VT	05401	CHITTENDEN	UNITED STATES	4233	0
VT	05408	CHITTENDEN	UNITED STATES	209211	4
VT	05446	CHITTENDEN	UNITED STATES	231089	29
VT	05043	ORANGE	UNITED STATES	209131	40
VT	05450	FRANKLIN	UNITED STATES	8657	27
VT	05452	CHITTENDEN	UNITED STATES	209209	2
VT	05743	RUTLAND	UNITED STATES	4236	37
VT	05843	CALEDONIA	UNITED STATES	209224	44
VT	05461	CHITTENDEN	UNITED STATES	209215	11
VT	05465	CHITTENDEN	UNITED STATES	231087	25
VT	05656	LAMOILLE	UNITED STATES	8838	24
VT	05255	BENNINGTON	UNITED STATES	209240	16
VT	05257	BENNINGTON	UNITED STATES	Not Required	Not Required
VT	05663	WASHINGTON	UNITED STATES	4241	36
VT	05701	RUTLAND	UNITED STATES	276657	48
VT	05701	RUTLAND	UNITED STATES	209223	49
VT	05478	FRANKLIN	UNITED STATES	418896	50
VT	05819	CALEDONIA	UNITED STATES	209225	45
VT	05403	CHITTENDEN	UNITED STATES	209221	30
VT	05403	CHITTENDEN	UNITED STATES	Not Required	Not Required
VT	05403	CHITTENDEN	UNITED STATES	209210	3

VT	05486	GRAND ISLE	UNITED STATES	209213	8
VT	05156	WINDSOR	UNITED STATES	209255	34
VT	05491	ADDISON	UNITED STATES	209218	14
VT	05773	RUTLAND	UNITED STATES	Not Required	Not Required
VT	05676	WASHINGTON	UNITED STATES	455239	52
VT	05001	WINDSOR	UNITED STATES	423093	51
VT	05363	WINDHAM	UNITED STATES	209243	19
VT	05404	CHITTENDEN	UNITED STATES	209217	13

Head Office	Head Office ID_RSSD*	Comments
MERCHANTS BANK, THE	166803	

FR Y-6

Merchants Bancshares, Inc.
275 Kennedy Drive
South Burlington, VT 05403
Fiscal Year Ended December 31, 2015

Report Item 3: Shareholders

Name and Address	Country of Citizenship or Incorporation	Number of Voting Securities Held as of December 31, 2015	Percentage of Outstanding Class
Charles A. Davis Stone Point Capital, LLC 20 Horseneck Lane Greenwich, CT	U.S.A.	422,232	7%
BlackRock, Inc. 40 East 52nd Street New York, NY 10022	U.S.A.	394,375	6%
Total		816,607	13%

Merchants Bancshares, Inc.
275 Kennedy Drive
South Burlington, VT 05403
Fiscal Year Ended December 31, 2015

Report Item 4: Insiders

<u>Name and Address</u>	<u>Title or Position Company/Bank/Subsidiaries</u>	<u>Principal Occupation</u>	<u>Number of MBVT shares Owned as of 12/31/2015</u>	<u>Percent Held 12/31/2015</u>	<u>Other Business Companies as Director, Trustee, Partner or Principal Officer or owner of more than 25% of outstanding voting securities</u>	<u>Capacity</u>	<u># shs owned/ % control</u>
Laura M Abbott S. Burlington, VT	Sr. Vice President Merchants Bank	Sr. Credit Officer	0	0%			
Bruce A Bernier Charlotte, VT	Sr. Vice President Merchants Bank	Sr. Lender	0	0%			
Scott F Boardman Burlington, VT	Director Merchants Bank Merchants Bancshares, Inc.	President Hickock & Boardman, Inc.	22,955	0%	Hickock & Boardman, Inc. Hickock & Boardman Realty, Inc. Hickock & Boardman Place, LLC Green Mountain Safety Consulting, Inc. Schoolhouse Lofts Housing LLC A.N. Deringer, Inc. PC Construction Company Freshtracks Capital II, L.P. Freshtracks Capital III, L.P. Lake Mansfield Trout Club	President Director Director Director Partner Director Director Partner Partner Director	42% 30% 20% 42% 20%
Janette K Bombardier Colchester, VT	Director Merchants Bank Merchants Bancshares, Inc.	VP of Facilities Engineering Globalfoundries	650	0%			
Michael J Cataldo Williston, VT	Sr. Vice President Merchants Bank	Director of Operations	0	0%			
Donald R Chase West Springfield, MA	Director Merchants Bank Merchants Bancshares, Inc.	Retired	29,648	0%	Central New England Ag Services, Inc. Chase Enterprises Corporation Eastern States Exposition	President Chairman Chairman of Board	100% 100%
Karen J Danaher Underhill, VT	Director Merchants Bank Merchants Bancshares, Inc.	Partner Danaher, Attig & Plante, PLC	4,610	0%	Danaher, Attig & Plante, PLC	Partner	33%
Jeffrey L Davis Underhill Ctr., VT	Director & Chairman of the Board Merchants Bank Merchants Bancshares, Inc.	President J.L. Davis, Inc.	29,893	0%	J.L. Davis, Inc. J.L. Davis Realty Tafts Corners Associates 11 Church Street Properties Stevensville Properties DEW Partners, Inc. 4 Helena Drive Associates 835 Hinesburg Road, LLC	President Partner Partner Partner Partner Partner Partner Partner	100% 51% 13% 40% 100% 50% 33% 30%

Merchants Bancshares, Inc.
275 Kennedy Drive
South Burlington, VT 05403
Fiscal Year Ended December 31, 2015

Report Item 4: Insiders

<u>Name and Address</u>	<u>Title or Position Company/Bank/Subsidiaries</u>	<u>Principal Occupation</u>	<u>Number of MBVT shares Owned as of 12/31/2015</u>	<u>Percent Held 12/31/2015</u>	<u>Other Business Companies as Director, Trustee, Partner or Principal Officer or owner of more than 25% of outstanding voting securities</u>	<u>Capacity</u>	<u># shs owned/ % control</u>
					Courthouse Plaza, LLC	Partner	50%
					204, LLC	Partner	100%
					JLD Properties of Derby, LLC	Partner	50%
					JLD Properties of St. Albans, I.I.C	Partner	50%
					JCST, LLC	Partner	25%
					JLD Properties of Colchester, LLC	Partner	50%
					Champlain Valley Exposition	Director	
Jacqueline S Dragon Burlington, VT	Sr. Vice President Merchants Bank	Director of Human Resources	780	0%	Tech 4 Tomorrow	Director	
Michael G Furlong Burlington, VT	Director Merchants Bank Merchants Bancshares, Inc.	Attorney Sheehy Furlong & Behm P.C.	7,247	0%	Sheehy Furlong & Behm P.C. Wake Robin Corporation Green Mountain Audubon Society Lake Champlain Transportation Company	President & Director Director Emeritus Director Director	14%
Geoffrey R Hesslink Shelburne, VT	President and C.E.O. Merchants Bank Merchants Bancshares, Inc.	President and C.E.O.	29,705	0%	Greater Burlington Industrial Corp. (GBIC)	Director	
Lorilee A Lawton Colchester, VT	Director Merchants Bank Merchants Bancshares, Inc.	Owner & President Firetech Sprinkler Corporation	10,718	0%	Firetech Sprinkler Corporation Troy Avenue Associates LTD Partnership Lawton Realty Hegeman Avenue LLC Chester Management LLC Great Road Realty Lee H. Lawton Rev Trust Seawinds, LLC.	President General Partner General Partner General Partner General Partner General Partner Trustee General Partner	60% 12% 96% 100% 100% 100% 100% 100%
Bruce M Lisman Shelburne, VT	Director Merchants Bank Merchants Bancshares, Inc.	Retired	6,046	0%	National Life Group Smithsonian Librarian American Forests PC Construction Company Myers Industries PEP Boys Associated Capital Group	Director Trustee Trustee Director	
Raymond C. Pecor, Jr. Del Ray Beach, FL	Director Merchants Bank Merchants Bancshares, Inc.	Retired	278,426	4%	Lake Champlain Transportation Co. Vermont Expos, Inc. Taft Corners Associates Lehigh Valley Phillies	Chairman President Treasurer Partner	100% 25% 40%

Merchants Bancshares, Inc.
275 Kennedy Drive
South Burlington, VT 05403
Fiscal Year Ended December 31, 2015

Report Item 4: Insiders

<u>Name and Address</u>	<u>Title or Position Company/Bank/Subsidiaries</u>	<u>Principal Occupation</u>	<u>Number of MBVT shares Owned as of 12/31/2015</u>	<u>Percent Held 12/31/2015</u>	<u>Other Business Companies as Director, Trustee, Partner or Principal Officer or owner of more than 25% of outstanding voting securities</u>	<u>Capacity</u>	<u># shs owned/ % control</u>
Raymond C Pecor, III Charlotte, VT	Director Merchants Bank Merchants Bancshares, Inc.	President Lake Champlain Transportation Co.	14,756	0%	Lake Champlain Transportation Co. Champlain Valley Exposition	President Director	98%
Patrick S Robins Burlington, VT	Director Merchants Bank Merchants Bancshares, Inc.	Retired	94,976	1%			
Eric A Segal New Hope, PA	Interim PFO, PAO & Treasurer Merchants Bank Merchants Bancshares, Inc.	Interim PFO, PAO & Treasurer	0	0%	CFO Consulting Partners, LLC Orrstown Bank	Partner Director	
Marie A Thresher Williston, VT	Executive Vice President Merchants Bank	EVP, Chief Operating Officer	1,620	0%	Vermont Cares	Vice Chair	
Michael R Tuttle S. Burlington, VT	Director Merchants Bancshares, Inc. Merchants Bank	Retired	81,301	1%	FBI.B of Boston Vt Business Roundtable VT Bankers Association	Director Director Director	
Jonathan D Watson Burlington, VT	Sr. Vice President Merchants Bank	Chief Risk Officer	0	0%			

Note: Shares outstanding as of December 31, 2015 include 299,360 deferred shares held in various trusts related to our former and current deferred compensation plans for directors and executive salary continuation plan. Merchants Senior Management has the authority to vote these deferred shares.