

LANDMARK BANCORP INC  
Form DEF 14A  
April 15, 2005

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**  
Washington, D.C. 20549

**SCHEDULE 14A**  
(Rule 14a-101)

**INFORMATION REQUIRED IN PROXY STATEMENT**

**SCHEDULE 14A INFORMATION**

Proxy Statement Pursuant to Section 14(a) of  
the Securities Exchange Act of 1934 (Amendment No. )

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

- Preliminary Proxy Statement
- Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**
- Definitive Proxy Statement
- Definitive Additional Materials
- Soliciting Material Pursuant to §240.14a-12

**Landmark Bancorp, Inc.**

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

- No fee required.
- Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.
  - (1) Title of each class of securities to which transaction applies:
  - (2) Aggregate number of securities to which transaction applies:
  - (3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):
  - (4) Proposed maximum aggregate value of transaction:
  - (5) Total fee paid:
- Fee paid previously with preliminary materials.
- Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.
  - (1) Amount Previously Paid:

Edgar Filing: LANDMARK BANCORP INC - Form DEF 14A

- (2) Form, Schedule or Registration Statement No.:
- (3) Filing Party:
- (4) Date Filed:

**Persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.**

---

**LANDMARK BANCORP, INC.**

**800 Poyntz Avenue**

**Manhattan, Kansas 66502**

**(785) 565-2000**

April 15, 2005

Dear Stockholder:

On behalf of the board of directors and management of Landmark Bancorp, Inc., we cordially invite you to attend our annual meeting of stockholders, to be held at 2:00 p.m. on Wednesday, May 18, 2005, at the Kansas State University Alumni Center, 17<sup>th</sup> and Anderson Avenue, Manhattan, Kansas, 66506. The accompanying notice of annual meeting of stockholders and proxy statement discuss the business to be conducted at the meeting. At the meeting we will also report on our operations and the outlook for the year ahead.

We have nominated three persons to serve as Class I directors. Each of the nominees are incumbent directors. In addition to the election of directors, stockholders are being asked to approve an amendment to our certificate of incorporation to increase the number of authorized shares of common stock from 3,000,000 to 5,000,000. Additionally, our Audit Committee has selected and we recommend that you ratify the appointment of KPMG LLP to continue as our independent registered public accounting firm for the year ending December 31, 2005.

We encourage you to attend the meeting in person. **Whether or not you plan to attend, however, please complete, sign and date the enclosed proxy and return it in the accompanying postage-paid return envelope as promptly as possible.** This will ensure that your shares are represented at the meeting.

We look forward with pleasure to seeing and visiting with you at the meeting.

Very truly yours,

LANDMARK BANCORP, INC.

Patrick L. Alexander  
*President and Chief Executive Officer*

**LANDMARK BANCORP, INC.**

**800 Poyntz Avenue**

**Manhattan, Kansas 66502**

**(785) 565-2000**

**NOTICE OF  
ANNUAL MEETING OF STOCKHOLDERS  
TO BE HELD MAY 18, 2005**

To the stockholders of

LANDMARK BANCORP, INC.

The annual meeting of the stockholders of Landmark Bancorp, Inc., a Delaware corporation, will be held at the Kansas State University Alumni Center, 17<sup>th</sup> and Anderson Avenue, Manhattan, Kansas, 66506, on Wednesday, May 18, 2005, at 2:00 p.m., local time, for the following purposes:

1. to elect three Class I directors for a term of three years;
2. to amend Article 4 of our certificate of incorporation to increase the number of authorized shares of common stock, \$0.01 par value per share, from 3,000,000 to 5,000,000 shares;
3. to ratify the appointment of KPMG LLP as our independent registered public accounting firm for the fiscal year ending December 31, 2005; and
4. to transact such other business as may properly be brought before the meeting and any adjournments or postponements of the meeting.

Edgar Filing: LANDMARK BANCORP INC - Form DEF 14A

We are not aware of any other business to come before the annual meeting. Any action may be taken on any one of the foregoing proposals at the annual meeting on the date specified above, or on any date or dates to which the annual meeting may be adjourned or postponed. The board of directors has fixed the close of business on April 1, 2005, as the record date for the determination of stockholders entitled to notice of, and to vote at, the meeting. In the event there are an insufficient number of votes for a quorum or to approve or ratify any of the foregoing proposals at the time of the meeting, the meeting may be adjourned or postponed in order to permit our further solicitation of proxies.

By order of the Board of Directors

Patrick L. Alexander  
President and Chief  
Executive Officer

Manhattan, Kansas  
April 15, 2005

**LANDMARK BANCORP, INC.**

---

**PROXY STATEMENT**

**ANNUAL MEETING OF STOCKHOLDERS**

**May 18, 2005**

---

Landmark Bancorp, Inc., a Delaware corporation, is the holding company for Landmark National Bank. Landmark National Bank has branches in Manhattan, Auburn, Dodge City, Fort Scott, Garden City, Great Bend, Hoisington, LaCrosse, Louisburg, Osage City, Osawatomie, Paola, Topeka and Wamego, Kansas. Landmark Bancorp was formed as part of the 2001 merger between MNB Bancshares, Inc., the holding company for Security National Bank, and Landmark Bancshares, Inc., the holding company for Landmark Federal Savings Bank. As a result of the merger, Landmark Bancorp became the holding company for Landmark National Bank. In April, 2004 Landmark Bancorp completed its acquisition of First Kansas Financial Corporation, the holding company of First Kansas Federal Savings Bank, and it was merged into Landmark National Bank.

This proxy statement is furnished in connection with the solicitation by the board of directors of Landmark Bancorp of proxies to be voted at the annual meeting of stockholders to be held at the Kansas State University Alumni Center, 17<sup>th</sup> and Anderson Avenue, Manhattan, Kansas, 66506, on Wednesday, May 18, 2005, at 2:00 p.m., local time, and at any adjournments or postponements of the meeting. Our 2004 annual report, which includes consolidated financial statements of Landmark Bancorp and Landmark National Bank, is also enclosed. This proxy statement is first being mailed to Landmark Bancorp's stockholders on or about April 15, 2005.

The following is information regarding the meeting and the voting process, presented in a question and answer format.

**Why am I receiving this proxy statement and proxy card?**

You are receiving a proxy statement and proxy card from us because on April 1, 2005, the record date for the annual meeting, you owned shares of Landmark Bancorp's common stock. This proxy statement describes the matters that will be presented for consideration by the stockholders at the annual meeting. It also gives you information concerning the matters to assist you in making an informed decision.

When you sign the enclosed proxy card, you appoint the proxy holder as your representative at the meeting. The proxy holder will vote your shares as you have instructed in the proxy card, thereby ensuring that your shares will be voted whether or not you attend the meeting. Even if you plan to attend the meeting, you should complete, sign and return your proxy card in advance of the meeting just in case your plans change.

If you have signed and returned the proxy card and an issue comes up for a vote at the meeting that is not identified on the card, the proxy holder will vote your shares, pursuant to your proxy, in accordance with his or her judgment.

**What matters will be voted on at the meeting?**

You are being asked to vote on the election of three Class I directors of Landmark Bancorp for a term expiring in 2008 as well as an amendment to our certificate of incorporation to increase the authorized shares of common stock from 3,000,000 to 5,000,000 shares. Additionally, you are being asked to ratify the appointment of KPMG LLP as our independent auditors for the 2005 fiscal year. These matters are more fully described in this proxy statement.

**If I am the record holder of my shares, how do I vote?**

You may vote either by mail or in person at the meeting. To vote by mail, complete and sign the enclosed proxy card and mail it in the enclosed postage-paid, pre-addressed envelope to our transfer agent, Registrar and Transfer Company, 10 Commerce Drive, Cranford, New Jersey, 07016.

If you mark your proxy card to indicate how you want your shares voted, your shares will be voted as you instruct. If you sign and return your proxy card but do not mark the card to provide voting instructions, the shares represented by your proxy card will be voted for all three nominees named in this proxy statement, for amending the certificate of incorporation and for the ratification of our auditors.

If you want to vote in person, please come to the meeting. We will distribute written ballots to anyone who wants to vote at the meeting. Even if you plan to attend the meeting, you should complete, sign and return your proxy card in advance of the meeting just in case your plans change. Please note, that if your shares are held in the name of your broker (or in what is usually referred to as street name), you will need to arrange to obtain a legal proxy from your broker in order to vote in person at the meeting.

**If I hold shares in the name of a broker or fiduciary, who votes my shares?**

If you received this proxy statement from your broker or by a trustee or other fiduciary who may hold your shares, your broker or fiduciary should have given you instructions for directing how they should vote your shares. It will then be their responsibility to vote your shares for you in the manner you direct. As discussed above, if you want to vote in person at the meeting, you will need to arrange to obtain a legal proxy from your broker or fiduciary in order to vote in person at the meeting.

Under the rules of various national and regional securities exchanges, brokers may generally vote on routine matters, such as the election of directors and the ratification of independent auditors, but cannot vote on non-routine matters, such as an amendment to the certificate of incorporation or the adoption or amendment of a stock option plan, unless they have received voting instructions from the person for whom they are holding shares. If your broker does not receive instructions from you on how to vote particular shares on a matter on which your broker does not have discretionary authority to vote, your broker will return the proxy card to us, indicating that he or she does not have the authority to vote on these matters. This is generally referred to as a broker non-vote and will affect the outcome of the voting as described below, under How many votes are needed for approval of each proposal? Therefore, because we are asking stockholders to approve an amendment to our certificate of incorporation, we encourage you to provide directions to your broker as to how you want your shares voted on all matters to be brought before the meeting. You should do this by carefully following the instructions your broker gives you concerning its procedures. This ensures that your shares will be voted at the meeting.



**What does it mean if I receive more than one proxy card?**

It means that you have multiple holdings reflected in our stock transfer records and/or in

accounts with stockbrokers. Please sign and return ALL proxy forms to ensure that all your shares are voted.

**What options do I have in voting on each of the proposals?**

You may vote for or withhold authority to vote for each nominee for director. You may vote for, against or abstain on any other proposal that may properly be brought before the meeting. Abstentions will be considered in determining the presence of a quorum but will not affect the vote required for election of our directors, the amendment to the certificate of incorporation or the ratification of our auditors.

**How many votes may I cast?**

Generally, you are entitled to cast one vote for each share of stock you owned on the record date. The proxy card included with this proxy statement indicates the number of shares owned by an account attributable to you.

**How many votes are needed for approval of each proposal?**

The three individuals receiving the highest number of votes cast for their election will be elected as Class I directors of Landmark Bancorp.

To be approved, the amendment to the certificate of incorporation must receive the affirmative vote of the majority of the outstanding shares of our Common Stock. A broker non-vote will have the effect of a vote against the amendment to our certificate of incorporation.

The ratification of our auditors and all other matters must receive the affirmative vote of a majority of the shares present in person or by proxy at the meeting and entitled to vote. Broker non-votes and abstentions will not be counted as entitled to vote, but will count for purposes of determining whether or not a quorum is present on the matter.

**What if I change my mind after I return my proxy?**

If you hold your shares in your own name, you may revoke your proxy and change your vote at any time before the polls close at the meeting. You may do this by:

signing another proxy with a later date and returning that proxy to our transfer agent at:

Registrar and Transfer Company  
10 Commerce Drive  
Cranford, New Jersey, 07016;

sending notice to our transfer agent that you are revoking your proxy; or

voting in person at the meeting.

If you hold your shares in the name of your broker and desire to revoke your proxy, you will need to contact your broker to revoke your proxy.

**How many shares do we need to have represented at the meeting to hold the annual meeting?**

A majority of the shares that are outstanding and entitled to vote as of the record date must be present in person or by proxy at the meeting in order to hold the meeting and conduct business.

Shares are counted as present at the meeting if the stockholder either:

is present in person at the meeting; or

has properly submitted a signed proxy card or other proxy.

On April 1, 2005, the record date, there were 2,110,588 shares of common stock issued and outstanding. Therefore, at least 1,055,295 shares need to be present at the annual meeting in order to hold the meeting and conduct business.

**What happens if a nominee is unable to stand for re-election?**

The board may, by resolution, provide for a lesser number of directors or designate a substitute nominee. In the latter case, shares represented by proxies may be voted for a substitute nominee. Proxies cannot be voted for more than three nominees. The board has no reason to believe any nominee will be unable to stand for re-election.

**Where do I find the voting results of the meeting?**

We will announce voting results at the meeting. The voting results will also be disclosed in our Form 10-Q for the quarter ending June 30, 2005.

**Who bears the cost of soliciting proxies?**

We will bear the cost of soliciting proxies. In addition to solicitations by mail, officers, directors or employees of Landmark Bancorp or its subsidiaries may solicit proxies in person or by telephone. These persons will not receive any special or additional compensation for soliciting proxies. We may reimburse brokerage houses and other custodians, nominees and fiduciaries for their reasonable out-of-pocket expenses for forwarding proxy and solicitation materials to stockholders.

**ELECTION OF DIRECTORS**

At the annual meeting of the stockholders to be held on May 18, 2005, the stockholders will be entitled to elect three Class I directors for a term expiring in 2008. Landmark Bancorp's directors are divided into three classes having staggered terms of three years. The nominees for election as Class I directors are incumbent directors. We have no knowledge that any of the nominees will refuse or be unable to serve, but if any of the nominees becomes unavailable for election, the holders of the proxies reserve the right to substitute another person of their choice as a nominee when voting at the meeting.

Set forth below is information concerning the nominees for election and for the other directors whose terms of office will continue after the meeting, including their age, the year first elected a director and their business experience during the previous five years as of April 1, 2005. The nominees, if elected at the annual meeting of stockholders, will serve as Class I directors for three year terms expiring in 2008. **We unanimously recommend that you vote FOR each of the nominees for director. Unless authority to vote for the nominees is withheld, the shares represented by the enclosed proxy card, if executed and returned, will be voted FOR the election of the nominees proposed by the board of directors.**

**NOMINEES**

Name	Age	Position with Landmark Bancorp and Landmark National Bank	Director Since(1)
<b>CLASS I (Term Expires 2008)</b>			
Brent A. Bowman	55	Director of Landmark Bancorp and Landmark National Bank	1987
Joseph L. Downey	68	Director of Landmark Bancorp and Landmark National Bank	1996
David H. Snapp	49	Director of Landmark Bancorp and Landmark National Bank	1986

**CONTINUING DIRECTORS**

<b>CLASS II (Term Expires 2006)</b>			
Richard A. Ball	52	Director of Landmark Bancorp and Landmark National Bank	1995
Susan E. Roepke	65	Director of Landmark Bancorp and Landmark National Bank	1997
C. Duane Ross	68	Director of Landmark Bancorp and Landmark National Bank	1986

Name	Age	Position with Landmark Bancorp and Landmark National Bank	Director Since(1)
<b>CLASS III</b> <b>(Term Expires 2007)</b>			
Patrick L. Alexander	52	President, Chief Executive Officer and Director of Landmark Bancorp and Landmark National Bank	1990
Jim W. Lewis	49	Director of Landmark Bancorp and Landmark National Bank	1991
Jerry R. Pettle	66	Director of Landmark Bancorp and Landmark National Bank	1978
Larry L. Schugart	65	Chairman of the Board and Director of Landmark Bancorp and Landmark National Bank	1971

(1) Indicates the year first elected to the board of directors of MNB Bancshares, Inc. or Landmark Bancshares, Inc. (or their respective banking subsidiaries), the predecessor companies to Landmark Bancorp.

All of our directors will hold office for the terms indicated, or until their earlier death, resignation, removal or disqualification, and until their respective successors are duly elected and qualified. There are no arrangements or understandings between any of the nominees, directors or executive officers and any other person pursuant to which any of our nominees, directors or executive officers have been selected for their respective positions, except that Landmark Bancorp and Landmark National Bank have entered into employment contracts with Messrs. Alexander and Schugart. Mr. Schugart's employment agreement expired under its own terms in October of 2004. No director is related to any other director or executive officer of Landmark Bancorp or Landmark National Bank by blood, marriage or adoption.

The business experience of each nominee and continuing director for the past five years is as follows:

*Patrick L. Alexander* is the President and Chief Executive Officer of Landmark Bancorp and Landmark National Bank. He became President and Chief Executive Officer of the Manhattan Federal Savings and Loan Association (the predecessor to Security National Bank) in 1990, and became the President and Chief Executive Officer of MNB Bancshares and Security National Bank in 1992 and 1993, respectively. From 1986 to 1990, Mr. Alexander served as President of the Kansas State Bank of Manhattan, Manhattan, Kansas. Mr. Alexander serves as a member of the board of directors of the Big Lakes Development Center, Inc.

*Larry L. Schugart* has served with Landmark Federal Savings Bank, Landmark Bancshares and Landmark Bancorp for over 41 years. He served as President, Chief Executive Officer and a director of Landmark Bancshares from its incorporation in 1993 until the merger in 2001. He is a former director of the Federal Home Loan Bank of Topeka where he served on the Finance and Executive Committees. Mr. Schugart is a former member and chair of various committees of the Heartland Community Bankers Association, is a past Chairman of the Kansas-Nebraska League of Savings and served as a member of the Governmental Affairs Committee of the American Community Bankers. In

addition, Mr. Schugart has been president of numerous civic and charitable organizations in Great Bend, Kansas.

*Richard A. Ball*, a certified public accountant, is a member of Adams, Brown, Beran & Ball, Chtd., an accounting firm with offices in Great Bend, Hays, LaCrosse, Ellinwood, Colby, Lyons,

McPherson and Hutchinson, Kansas. He is also President of Ball Consulting Group, Ltd. He has served as a Board Chairman of the Great Bend Chamber of Commerce, Great Bend United Way, Petroleum Club and Barton County Community College Academic Fund Campaign. He has also served on the boards of the Kiwanis Club, Cougar Booster Club, Downtown Development, Mid-Kansas Economic Development and the Kansas Oil & Gas Museum Committee.

*Brent A. Bowman* has been President of Brent Bowman and Associates Architects, P.A., an architectural firm in Manhattan, Kansas, since 1979. He serves on the board of directors of Big Lakes Developmental Center, Inc.

*Joseph L. Downey* served as a director of Dow Chemical Co. for ten years until his retirement from the board in 1999. He was a Dow Senior Consultant from 1995 until 1999, after having served in a variety of executive positions with that company, including Senior Vice President from 1991 to 1994. In 2004, Mr. Downey became a director of Nanoscale Materials, Inc., which has a class of securities registered under the Securities and Exchange Act of 1934.

*Jim W. Lewis* is the owner of several automobile dealerships across the state of Kansas, including Dodge City Toyota, Inc. Mr. Lewis is a member of the Dodge City Area Chamber of Commerce. He was a founding member of The Alley, a community teen center in Dodge City.

*Jerry R. Pettle* is a dentist who practiced with Dental Associates of Manhattan, P.A., in Manhattan, Kansas, from 1965 until his retirement in 1999. Dr. Pettle was a former examiner for the Kansas Dental Board. Dr. Pettle serves on the board of directors of Mercy Regional Health Center.

*Susan E. Roepke* is a former Vice President of MNB Bancshares, serving in that capacity from its inception in 1992 until she retired as an officer of MNB Bancshares and Security National Bank at the end of 1998. She also served in a number of senior management positions with Security National Bank since 1970, including Senior Vice President, Secretary and Cashier since 1993.

*C. Duane Ross* is President and Chief Executive Officer of High Plains Publishers, Inc., a publishing/printing company. Mr. Ross is Vice Chairman of the Board of Commissioners of the Dodge City Housing Authority, a current member of the Dodge City Community College Endowment Board, and a past President of the Dodge City/Ford County Development Corporation. In addition, he is a past President of the Dodge City Community College Foundation and is a past President of the Dodge City Area Chamber of Commerce.

*David H. Snapp* is a partner in the law firm of Waite, Snapp & Doll in Dodge City, Kansas. Mr. Snapp is also a board member of Arrowhead West, Inc., a mental and physical rehabilitation center, the Community Foundation of Southwest Kansas and Catholic Social Service.



In addition, the business experience for the past five years of each executive officer named in the compensation table is as follows:

*Mark A. Herpich* has served as Vice President, Secretary, Treasurer and Chief Financial Officer of Landmark Bancorp and as Executive Vice President, Secretary and Chief Financial Officer of Landmark National Bank since October, 2001. Previously, he held these same positions at MNB Bancshares and Security National Bank from September, 1998 to October, 2001. Mr. Herpich served as a Senior Manager and certified public accountant at KPMG LLP from August 1989 to September 1998.

*Mark J. Oliphant* has served as a Market President of Landmark National Bank since October, 2001. Prior to joining Landmark National Bank, Mr. Oliphant served as a Market President for Bank of America in Dodge City, Kansas from January, 1998 to October, 2001 and as Senior Vice President Head of Commercial Lending from July, 1997 to January, 1998 for Bank of America in Dodge City.

*Michael E. Scheopner* has served as an Executive Vice President of Landmark National Bank since October, 2001. Previously, Mr. Scheopner served as an Executive Vice President of Security National Bank from March, 1998 to October, 2001 and as a Senior Vice President of Security National Bank from May, 1996 to March, 1998.

*Dean R. Thibault* has served as a Market President for Landmark National Bank since October, 2001. Previously, Mr. Thibault served as Executive Vice President for Security National Bank from March, 1998 to October, 2001.

**CORPORATE GOVERNANCE AND THE BOARD OF DIRECTORS**



## Edgar Filing: LANDMARK BANCORP INC - Form DEF 14A

We currently have ten directors serving as our board, a majority of whom are deemed to be independent, as that term is defined by the Nasdaq Stock Market, Inc. Mr. Alexander is not deemed to be independent because of his position as our President and Chief Executive Officer and Mr. Schugart is not deemed to be independent because of his services as an officer and consultant to Landmark Bancorp. In accordance with our corporate governance procedures, the board does not involve itself in the day-to-day operations of Landmark Bancorp which is monitored by our executive officers and management. Our directors fulfill their duties and responsibilities by attending regular meetings of the full board, which were held monthly in 2004. In 2005 the full board intends to meet on a quarterly basis with special meetings held from time to time and through committee membership, which is discussed below. Our directors also discuss business and other matters with Mr. Alexander, other key executives and our principal external advisers (legal counsel, auditors and other consultants).

The board of directors has, in addition to other committees, an Audit Committee, a Nominating and Governance Committee and a Compensation Committee. Consistent with the Nasdaq listing requirements, the independent directors regularly have the opportunity to meet without Mr. Alexander and Mr. Schugart in attendance. The current charters of each of these committees are available on Landmark Bancorp's website at [www.landmarkbancorpinc.com](http://www.landmarkbancorpinc.com). Our website also contains a general description about us as well as our Code of Business Conduct and Ethics. Additionally, we maintain a separate website for Landmark National Bank at [www.banklandmark.com](http://www.banklandmark.com) that contains a description of our banking services and products.

A total of twelve regularly scheduled and special meetings were held by the board of directors of Landmark Bancorp during 2004. During 2004, all directors attended at least 75 percent of the meetings of the board and the committees on which they served. Although we do not have a formal policy regarding director attendance at the annual meeting, we encourage and expect all of our directors to attend. Last year, all of the directors were present at the annual meeting

### **Audit Committee**

Messrs. Ball, Downey, Pettle, and Ross and Lewis and Ms. Roepke served as members of the Audit Committee, with Mr. Pettle serving as Chairman. Mr. Lewis served on the Audit Committee until 2005, when he joined the Loan and Investment Committee instead. Each of these members is considered independent, according to listing standards set forth by Nasdaq and the rules and regulations promulgated under the Exchange Act and the board believes that each member of the committee possesses the necessary skills and qualifications to critically analyze our financial statements and financial reporting process. Further, the board has determined that Ms. Roepke qualifies as an audit committee financial expert under the rules of the Securities and Exchange Commission. The board based this decision on Ms. Roepke's education and professional experience as a former senior financial executive of a financial institution.

The functions performed by the Audit Committee include, but are not limited to, the following:

selecting and managing the relationship with our independent auditors;

reviewing the independence of the independent auditors;

reviewing actions by management on recommendations of the independent auditors and internal auditors;

meeting with management, the internal auditors and the independent auditors to review the effectiveness of our system of internal control and internal audit procedures;

reviewing our earnings releases and reports filed with the Securities and Exchange Commission; and

reviewing reports of bank regulatory agencies and monitoring management's compliance with recommendations contained in those reports.

To promote independence of the audit function, the Audit Committee consults separately and jointly with the independent auditors, the internal auditors and management. The internal auditor reports directly to the committee on audit and compliance matters. The committee also reviews and approves the scope of the annual external audit and consults with the independent auditors regarding the results of their auditing procedures. We have adopted a written charter, which sets forth the committee's duties and responsibilities. A copy of the charter was attached as Appendix A to the proxy statement for our 2004 annual meeting and is currently available on our website at [www.landmarkbancorpinc.com](http://www.landmarkbancorpinc.com). The Audit Committee for Landmark Bancorp met seven times in 2004.

#### **Compensation Committee**

In response to many of the recent corporate governance reforms, we established a formal Compensation Committee in January, 2004. The Compensation Committee is currently comprised of Messrs. Ball and Pettle and Ms. Roepke, with Mr. Ball serving as Chairman. Each of the current members is considered independent, as such term is defined by Nasdaq listing requirements, an outside director pursuant to Section 162(m) of the Internal Revenue Code of 1986, as amended and a non-employee director under Section 16 of the Securities Exchange Act of 1934. The committee is responsible for matters related to the compensation of the Company's Chief Executive Officer and other executive officers. The committee's responsibilities and functions are further described in its charter, which is available on our website at [www.landmarkbancorpinc.com](http://www.landmarkbancorpinc.com). The Compensation Committee met two times in 2004.

#### **Nominating and Governance Committee**

In response to many of the recent corporate governance reforms, we established the Nominating and Governance Committee in January, 2004. The committee is currently comprised of Messrs. Downey, Lewis and Ross, with Mr. Downey serving as the Chairman. Each of the members is deemed to be independent, as such term is defined by Nasdaq. The Nominating and Governance Committee is charged with overseeing our corporate governance programs as well as nominating directors to serve on the board of directors. The committee's responsibilities and functions

are further described in its charter, which is available on our website at [www.landmarkbancorpinc.com](http://www.landmarkbancorpinc.com). The Nominating and Corporate Governance Committee met one time in 2004.

**Director Nominations and Qualifications**

In carrying out its nominating function, the Nominating and Governance Committee evaluates all potential nominees for election, including incumbent directors, board nominees and stockholder nominees, in the same manner, although it is not currently seeking out candidates to serve on the board and we did not receive any stockholder nominations for the 2005 annual meeting. Generally, the committee believes that, at a minimum, directors should possess certain qualities, including the highest personal and professional ethics and integrity, a sufficient educational and professional background,

demonstrated leadership skills, sound judgment, a strong sense of service to the communities which we serve and an ability to meet the standards and duties set forth in our code of conduct. The committee also evaluates potential nominees to determine if they have any conflicts of interest that may interfere with their ability to serve as effective board members and whether they are independent in accordance with Nasdaq requirements (to ensure that at least a majority of the directors will, at all times, be independent). The committee has not, in the past, retained any third party to assist it in identifying candidates, but it has the authority to retain a third party firm or professional for the purpose of identifying candidates.

#### **Stockholder Communication with the Board, Nomination and Proposal Procedures**

**General Communications with the Board.** Stockholders may contact our board of directors by contacting Mark A. Herpich, Corporate Secretary, Landmark Bancorp, Inc., 800 Poyntz Avenue, Manhattan, Kansas 66502 or (785) 565-2000.

**Nominations of Directors.** In order for a stockholder nominee to be considered by the Nominating and Governance Committee to be its nominee and included in our proxy statement, the nominating stockholder must file a written notice of the proposed director nomination with our Corporate Secretary, at the above address, at least 120 days prior to the anniversary of the date the previous year's proxy statement was mailed to stockholders. Nominations must include the full name and address of the proposed nominee and a brief description of the proposed nominee's business experience for at least the previous five years. All submissions must be accompanied by the written consent of the proposed nominee to be named as a nominee and to serve as a director if elected. The committee may request additional information in order to make a determination as to whether to nominate the person for director.

In accordance with our bylaws, a stockholder may otherwise nominate a director for election at an annual meeting of stockholders by delivering written notice of the nomination to our Corporate Secretary, at the above address, not less than 60 days nor more than 90 days prior to the first anniversary date of the previous year's annual meeting. The stockholder's notice of intention to nominate a director must include: a) for each person to be nominated: (i) the name, age and business and residence address of each nominee; (ii) the principal occupation or employment of each nominee; (iii) the class and number of shares of stock owned by the nominee on the date of the notice; and (iv) any information that would be required to be disclosed on Schedule 13D pursuant to Regulation 13D under the Securities Exchange Act, in connection with the acquisition of stock, and pursuant to Regulation 14A under the Securities Exchange Act, in connection with the solicitation of proxies with respect to nominees for election as directors, regardless of whether the person is subject to the provisions of such regulations; and b) as to the stockholder: (i) the name and address of record of the nominating stockholder and the names and addresses of any other stockholders supporting each respective nominee; and (ii) the class and number of shares of stock owned by the nominating stockholder and any other stockholders supporting the nominees on the date of the notice. We may request additional information after receiving the notification for the purpose of determining the proposed nominee's eligibility to serve as a director. Persons nominated for election to the board pursuant to this paragraph will not be included in our proxy statement.

**Other Stockholder Proposals.** To be considered for inclusion in our proxy statement and form of proxy for our 2006 annual meeting of stockholders, stockholder proposals must be received by our Corporate Secretary, at the above address, no later than December 16, 2005, and must otherwise comply with the notice and other provisions of our bylaws, as well as Securities and Exchange Commission rules and regulations.

Edgar Filing: LANDMARK BANCORP INC - Form DEF 14A

For proposals to be otherwise brought by a stockholder and voted upon at an annual meeting, the stockholder must file written notice of the proposal to our Corporate Secretary on or before 60 days in advance of the first anniversary of the previous year's annual meeting.



**Code of Business Conduct and Ethics.** We have a Code of Business Conduct and Ethics in place that applies to all of our directors and employees. The code sets forth the standard of ethics that we expect all of our directors and employees to follow, including our Chief Executive Officer and Chief Financial Officer. The code of conduct is posted on our website at [www.landmarkbancorpinc.com](http://www.landmarkbancorpinc.com). We intend to satisfy the disclosure requirements under Item 10 of Form 8-K regarding any amendment to or waiver of the code with respect to our Chief Executive Officer and Chief Financial Officer, and persons performing similar functions, by posting such information on our website.

**Director Compensation.** In 2004, directors of Landmark Bancorp received a monthly fee of \$1,250 for serving on the board of directors and they will receive a monthly fee of \$1,400 in 2005. In March of 2004 each director (with the exception of Mr. Alexander) also received options to purchase 2,566 shares of common stock pursuant to the Landmark Bancorp, Inc. 2001 Stock Incentive Plan. In addition, Landmark Bancorp has assumed deferred compensation agreements entered into by Messrs. Ball, Ross, Schugart and Snapp as directors of Landmark Bancshares, Inc. Landmark Bancorp has also assumed deferred compensation agreements entered into by Mr. Schugart as an executive officer of Landmark Bancshares, Inc.

#### EXECUTIVE COMPENSATION

The following table sets forth information concerning the compensation paid or granted to our Chief Executive Officer for the past three fiscal years and those executive officers whose salary and bonus exceeded \$100,000.

#### SUMMARY COMPENSATION TABLE

(a) Name and Principal Position	(b) Fiscal Year	(c) Annual Compensation		(d) Bonus	(g) Long Term Compensation Awards Securities Underlying Options/SARs		(i) All Other Compensation
		(c) Salary	(d) Bonus		(g) Options/SARs	(i) All Other Compensation	
Patrick L. Alexander President and Chief Executive Officer	2004	\$ 221,550	\$ 18,000	23,562	\$ 7,393(1)		
	2003	208,333	44,000		45,888(1)		
	2002	200,000	45,000		39,154(1)		
Michael E. Scheopner Executive Vice President	2004	\$ 118,400	\$ 14,000	15,246	\$ 7,145(2)		
	2003	112,750	34,000		19,923(2)		
	2002	107,500	35,000		26,566(2)		
Mark A. Herpich Executive Vice President and Chief Financial Officer	2004	\$ 118,400	\$ 14,000	15,246	\$ 5,959(3)		
	2003	112,750	34,000		12,340(3)		
	2002	107,292	35,000		22,635(3)		
Mark J. Oliphant Market President	2004	\$ 99,000	\$ 6,000	7,623	\$ 6,135(4)		
	2003	95,440	14,000		8,197(4)		
	2002	90,000	15,000		1,366(4)		

Edgar Filing: LANDMARK BANCORP INC - Form DEF 14A

Dean R. Thibault	2004	\$	97,969	\$	6,000	7,623	\$	6,429(5)
Market President	2003		93,469		14,000			13,189(5)
	2002		86,875		15,000			19,244(5)

---

(1) Includes contributions made to our employee stock ownership plan of \$0, \$38,702, and \$31,944 in 2004, 2003 and 2002. Also includes contributions to Mr. Alexander's 401(k) account of \$6,000 in each of 2004, 2003 and 2002, as well as taxable income relating to the personal use of a company car for Mr. Alexander of \$1,393 in 2004, \$1,186 in 2003 and \$1,210 in 2002.

(2) Includes contributions made to our employee stock ownership plan of \$0, \$12,182 and \$19,713 in 2004, 2003 and 2002. Also includes contributions to Mr. Scheopner's 401(k) account of \$4,647 in 2004, \$5,369 in 2003 and \$3,703 in 2002, as well as an automobile allowance for Mr. Scheopner of \$2,498 in 2004, \$2,372 in 2003 and \$3,150 in 2002.

(3) Includes contributions made to our employee stock ownership plan of \$0, \$6,612 and \$17,955 for 2004, 2003 and 2002. Also includes contributions to Mr. Herpich's 401(k) account of \$4,612 in 2004, \$4,470 in 2003 and \$3,369 in 2002, as well as an automobile allowance for Mr. Herpich of \$1,347 in 2004, \$1,258 in 2003 and \$1,311 in 2002.