

March 18, 2020

Dear Shareholder,

In response to current global events and broad guidance associated with measures to prevent community spread of novel coronavirus (COVID-19), I am writing to announce modifications to our upcoming Annual Shareholder Meeting plans. Our bylaws require us to conduct an annual business meeting within the announced/published timeframe. To accommodate, we will conduct an abbreviated business meeting to take up the small number of required business action items as scheduled at 4 p.m. on Thursday, April 2, 2020. Our Proxy Statement dated February 25, 2020 covers these action items. We will not conduct the extended Management presentation or hold the social reception that traditionally follows at this time. Your vote is important to us, however. Even if you are unable to attend the meeting in person, we ask that you complete and return your proxy as soon as possible, if you have not already done so.

Our course of action is necessary for the greater public good. I, along with your Board of Directors and Executive Leadership Team, recognize the critical importance of Shareholder communication and transparency as we conduct the business affairs associated with the stewardship of your meaningful investment. To facilitate participation and transparency:

- If you are healthy, and if restrictions on public gatherings are lifted by April 2, we will accommodate guests with appropriate social distancing accommodation for participants (please monitor our website at www.merchantsbank.com for announcements in this regard).
- If you have questions of management, you may present those in electronic form by email to shareholderrelations@merchantsbank.com. Management will respond to pertinent and popular questions in written form and share with all shareholders with special communication before the end of April.
- If you have interest in participating in the brief meeting on April 2 via phone or electronically, please email that request to shareholderrelations@merchantsbank.com. We will do our best to accommodate this request.

I would be remiss at this time if I didn't share a message of reassurance and confidence associated with our rapid response to the global health pandemic. We had been preparing for weeks to mobilize critical business continuity plan contingencies and can and will continue to meet our customers' financial needs. We have been guided every single day by our responsibility to all stakeholders: the health and safety of our employees, the well-being of our communities, the needs of our customers and the long-term enhancement obligation to you, our valued shareholders. We continue to honor all of those commitments in very different ways than would have been the case a month ago. I'm tremendously proud of our extraordinary employee team for adapting quickly, which we will continue to do on an indefinite basis as conditions continue to evolve.

I will speak directly to business impact related to COVID-19 in my report to you at the end of the first quarter. At present, we simply remain intensely focused on our responsibility to all stakeholders.

Very truly yours,



Gregory M. Evans
President and CEO