

INDEPENDENT BANK CORP
Form 8-K
February 17, 2016

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

Current Report Pursuant to Section 13 or 15 (d) of
The Securities and Exchange Act of 1934

DATE OF REPORT:
February 11, 2016
(Date of Earliest Event Reported)

MASSACHUSETTS
(State or Other Jurisdiction of Incorporation)
1-9047
(Commission File Number)

04-2870273
(I.R.S. Employer Identification No.)

INDEPENDENT BANK CORP.

Office Address: 2036 Washington Street, Hanover, Massachusetts 02339
Mailing Address: 288 Union Street, Rockland, Massachusetts 02370
(Address of Principal Executive Offices)

(Zip Code)

NOT APPLICABLE
(Former Address of Principal Executive Offices)

(Zip Code)

781-878-6100
(Registrant's Telephone Number, Including Area Code)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

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

Executive Officer Performance Incentive Plan

On February 11, 2016 the Independent Bank Corp. (the "Company") Board of Directors approved the Independent Bank Corp. and Rockland Trust Company Executive Officer Performance Incentive Plan for use in the 2016 calendar year (the "Executive Incentive Plan"). Executive Incentive Plan participants include any individual named as an executive officer in the Company's Proxy Statement and such other officers of the Company and/or the Company's wholly-owned commercial bank subsidiary Rockland Trust Company as the Board selects to participate in the Executive Incentive Plan.

The following summary does not purport to be complete and is qualified in its entirety by reference to the Executive Incentive Plan, a copy of which is attached as Exhibit 99.1.

Executive Incentive Plan Summary:

The Board administers the Executive Incentive Plan, based upon the recommendations of the compensation committee. All determinations regarding the achievement of any performance goals, the achievement of individual performance goals and objectives, and the amount of any individual awards are made by the Board. The Executive Incentive Plan expressly reserves the Board's right, in its sole and absolute discretion, to reduce, including a reduction to zero, any award otherwise payable.

The Executive Incentive Plan creates a cash incentive program for participants based upon the Company's financial performance, with awards determined as follows:

The award for the CEO will be determined by the product of the CEO's Target Award multiplied by the Combined Bank and Peer Performance Adjustment Factors, subject to adjustment in accordance with the Executive Incentive Plan;

Awards for participants other than the CEO are determined by the product of the participant's Target Award multiplied by the Combined Bank and Peer Performance Adjustment Factors and by the participant's Individual Performance Adjustment Factor, subject to adjustment in accordance with the Executive Incentive Plan.

The award payable to any participant, therefore, may be less than or more than the Target Award, depending upon: the Company's performance against the criteria used to determine the Combined Bank and Peer Performance Adjustment Factors; in the case of participants other than the CEO, the Individual Performance Adjustment Factor; and, any exercise of Board discretion to make adjustments in accordance with the Executive Incentive Plan.

The Board's determinations under the Executive Incentive Plan need not be uniform and may be made selectively among participants. The Executive Incentive Plan reserves the right of the Board, in its sole and absolute discretion, to: make adjustments to the Bank Performance Adjustment Factor, the Peer Performance Adjustment Factor, and the calculation of the Combined Bank and Peer Performance Adjustment Factor in each case within the defined parameters set forth in the Executive Incentive Plan based upon one-time, non-recurring, or extraordinary events or any other reason that the Board deems

appropriate; increase the award for the CEO up to a maximum of 1.20 times the amount called for by the product of the CEO's Target Award multiplied by the Combined Bank and Peer Performance Adjustment Factor; and, to reduce, including a reduction to zero, any cash award otherwise payable under the Executive Incentive Plan.

The Executive Incentive Plan defines "Target Award" as a specified percentage of a participant's base salary as follows:

Participant	Percentage Used To Determine Target Award
President/CEO	55%
EVP - Commercial Loan	35%
EVP - Director of Consumer and Small Business Banking	35%
Chief Financial Officer	35%
Director of Human Resources	30%
General Counsel	30%
Chief Information Officer	30%

The Executive Incentive Plan requires a Target Award for the CEO to be multiplied by the Combined Bank and Peer Performance Adjustment Factors, which is calculated by combining the Bank and Peer Performance Adjustment Factors with equal weighting given to each factor. The Combined Bank and Peer Performance Factor, when computed in accordance with the Executive Incentive Plan in the manner described below, will range from 0% to 137.50% for the CEO and from 0% to 125% for all other participants.

The Executive Incentive Plan determines the Bank Performance Adjustment Factor based upon the Company's Operating Earnings Per Share results within specified ranges set forth in the Executive Incentive Plan which specify threshold, target, and maximum performance levels, as set forth in the chart below. The Executive Incentive Plan defines Operating Earnings Per Share as net income as reflected in the Company's audited consolidated statement of income, as adjusted by the Board for the after-tax effect of material non-recurring items. The range of the Bank Performance Adjustment Factor set forth in the Executive Incentive Plan is as follows:

Participant	Threshold	Target	Maximum
CEO Bank Performance Adjustment Factor Range	Negative Fifty Percent (-50%)	One Hundred Percent (100%)	One Hundred and Fifty Percent (150%)
Bank Performance Adjustment Factor Range for all other Participants	Negative Fifty Percent (-50%)	One Hundred Percent (100%)	One Hundred and Twenty-Five Percent (125%)

The Executive Incentive Plan determines the Peer Performance Adjustment Factor by averaging the outcomes of the Company's performance compared to aggregated peer performance, as measured by the

Bank Holding Company Performance Report prepared by the Federal Reserve Board or by any other information which the compensation committee determines to be appropriate, with respect to Return on Assets, Return on Equity, Charge-Offs, and Non-Performing Assets. The Executive Incentive Plan calculates the Peer Performance Adjustment Factor by averaging the Company's performance compared to peer for those measures within the following ranges:

Company's Percentile Performance To Peer	Adjustment for Return on Assets Peer Comparison	Adjustment for Return on Equity Peer Comparison	Adjustment for Charge-Off Peer Comparison	Adjustment for Non-Performing Assets Peer Comparison
76-100	25%	25%	-100%	-100%
56-75	12.50%	12.50%	-12.50%	-12.50%
46-55	0%	0%	0%	0%
26-45	-12.50%	-12.50%	12.50%	12.50%
0-25	-100%	-100%	25%	25%

For all participants other than the CEO, the Executive Incentive Plan requires a Target Award to be multiplied by the combined Bank and Peer Performance Factors, and multiplied by the Individual Performance Adjustment Factor, which is determined by the Board in accordance with the Executive Incentive Plan based upon an evaluation of achievement of individual performance goals. The basis for any increases or decreases to the Individual Performance Adjustment Factor are set forth in the table below:

Individual Goals and Objectives for Plan Year	Individual Performance Adjustment Factor
Does Not Meet Most	0.0
Meets Most	0.6 - 0.8
Fully Meets All or all the most important	0.8 - 1.05
Exceeds Most or most meaningful	1.05 - 1.20
Exceeds All or performs beyond objectives	1.20 - 1.40

Any awards made under the Executive Incentive Plan are subject to the Company's Incentive Compensation Recovery Policy approved by the Board.

SIGNATURE

Pursuant to the requirements of the Securities and Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned and hereunto duly authorized.

Date: February 17, 2016

INDEPENDENT BANK CORP.
BY: /s/Edward H. Seksay
EDWARD H. SEKSAY
GENERAL COUNSEL

Exhibit Index

Exhibit #	Description
99.1	Independent Bank Corp. and Rockland Trust Company Executive Officer Performance Incentive Plan