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

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d)
of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): May 22, 2025

Finward Bancorp

(Exact name of registrant as specified in its charter)

Indiana
(State or other jurisdiction
of incorporation)

001-40999
(Commission
File Number)

35-1927981
(IRS Employer
Identification No.)

9204 Columbia Avenue
Munster, Indiana
(Address of principal executive offices)

46321
(Zip Code)

(219) 836-4400
(Registrant's telephone number, including area code)

N/A
(Former name or former address, if changed since last report.)

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))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, without par value	FNWD	The Nasdaq Stock Market LLC

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

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

At the Annual Meeting of Shareholders (the “Annual Meeting”) of Finward Bancorp (the “Bancorp”) held on May 22, 2025, the Bancorp’s shareholders approved the Finward Bancorp 2025 Omnibus Equity Incentive Plan (the “2025 Omnibus Plan”). The 2025 Omnibus Plan was approved by the Bancorp’s Board of Directors (the “Board”) on March 21, 2025, subject to shareholder approval at the Annual Meeting. A copy of the 2025 Omnibus Plan was attached as Appendix A to the definitive proxy statement for the Bancorp’s Annual Meeting filed on April 1, 2025 with the Securities and Exchange Commission. A copy of the 2025 Omnibus Plan also is attached as Exhibit 10.1 to this Current Report on Form 8-K and is incorporated by reference herein. Following is a summary description of the material terms of the 2025 Omnibus Plan.

The purposes of the 2025 Omnibus Plan are to (i) further the long-term growth and financial success of the Bancorp and its subsidiaries by aligning the personal interests of the plan participants with the interests of the Bancorp’s shareholders through the ownership of shares of common stock and through other incentives; (ii) encourage key individuals to accept or continue employment or service with the Bancorp and its subsidiaries; (iii) provide participants with an incentive for excellence in individual performance; and (iv) furnish incentives to such key individuals to improve operations and increase profits by providing the opportunity to acquire common stock of the Bancorp or receive monetary payments based on the value of the common stock.

The maximum number of shares of common stock cumulatively available for issuance under the 2025 Omnibus Plan is 265,174 shares, which is comprised of 280,000 new shares of common stock, less 14,826 shares underlying awards granted under the Bancorp’s expired 2015 Stock Option and Incentive Plan (the “2015 Plan”) between January 1 and May 22, 2025. In addition, shares subject to the 2025 Omnibus Plan will include (i) shares of common stock underlying awards granted under the 2015 Plan that expire, terminate, or are canceled or forfeited under the terms of the 2015 Plan on or after May 22, 2025; and (ii) shares of common stock settled for cash in lieu of shares under the 2025 Omnibus Plan. The maximum number of shares available under the 2025 Omnibus Plan is subject to certain customary adjustments, such as, for instance, stock splits and stock dividends.

The 2025 Omnibus Plan will be administered by the Compensation and Benefits Committee of the Bancorp’s Board of Directors, or any other committee that the Board designates from time to time (the “Committee”). The Committee has the authority, subject to the terms of the 2025 Omnibus Plan, to take the following actions: select recipients of awards from among employees, affiliate’s employees, outside consultants, and non-employee directors; determine the number of shares of common stock to be subject to types of awards generally, as well as to individual awards granted under the plan; determine the terms and conditions upon which awards will be granted under the plan; prescribe the form and terms of instruments evidencing grants; establish procedures and regulations for the administration of the plan; accelerate at any time the exercisability or vesting of all or any portion of any award granted under the plan; interpret the terms of the plan; define terms applicable to the plan which are not otherwise defined in the plan; and make all determinations deemed necessary or advisable for the administration of the plan. All of the employees, consultants, and non-employee directors of the Bancorp and its affiliates, including the Bancorp’s wholly-owned Indiana commercial bank subsidiary, Peoples Bank (the “Bank”), are eligible to be selected by the Committee to participate in the 2025 Omnibus Plan. The selection of which eligible individuals will receive awards is within the sole discretion of the Committee.

The 2025 Omnibus Plan provides that the Committee may grant any or all of the following types of awards to eligible participants: (i) incentive stock options; (ii) non-qualified stock options; (iii) restricted stock; (iv) unrestricted stock; (v) restricted stock units; (vi) performance shares; (vii) stock appreciation rights; and (viii) other share-based awards; or any combination of the foregoing. The Committee has full authority, subject to the terms of the 2025 Omnibus Plan, to determine the types and amount of awards granted and the participants eligible to receive awards.

The effective date of the 2025 Omnibus Plan is May 22, 2025 (the “Effective Date”), which is the date the Bancorp’s shareholders approved the plan. The 2025 Omnibus Plan will continue in effect for a term of ten years after the Effective Date unless sooner terminated under the terms of the plan. The Board may at any time terminate, amend, or modify the 2025 Omnibus Plan; *provided that*, that to the extent necessary and desirable to comply with the Securities Exchange Act of 1934 or the Internal Revenue Code (or any other applicable law, regulation, or stock

exchange listing rule), shareholder approval of any amendment must be obtained; *provided further that*, no termination, amendment, or modification of the 2025 Omnibus Plan will adversely affect the rights of any participant who has been granted an award without the consent of the participant. The Committee does not have the right or authority to reprice stock options or stock appreciation rights previously granted under the 2025 Omnibus Plan, whether through amendment, cancellation, replacement grants, or other means. As of the date of this report, no awards have been granted under the 2025 Omnibus Plan, and the nature and amounts of any such awards to be granted in the future have not yet been determined.

The foregoing description of the 2025 Omnibus Plan is a summary and is qualified in its entirety by reference to the full text of the 2025 Omnibus Plan, a copy of which is attached as Exhibit 10.1 to this Current Report on Form 8-K and incorporated by reference herein.

Item 5.07 Submission of Matters to a Vote of Security Holders.

On May 22, 2025, the Bancorp held its Annual Meeting, as a virtual-only meeting, pursuant to due notice. Only holders of record of the Bancorp's common stock at the close of business on March 21, 2025 (the "Record Date") were entitled to vote at the Annual Meeting. On the Record Date, there were 4,324,485 shares of the Bancorp's common stock issued and outstanding. Holders of a total of 3,289,973 shares of common stock were present virtually or by proxy at the Annual Meeting, constituting a quorum.

The Bancorp's shareholders voted on four proposals at the Annual Meeting. The proposals are described in detail in the Bancorp's definitive proxy statement filed with the Securities and Exchange Commission on April 1, 2025. The final results of the vote regarding the proposals are set forth below.

Proposal 1: Election of Directors. The Bancorp's shareholders elected four directors to serve three-year terms expiring in 2028. The votes regarding this proposal were as follows:

<u>Director</u>	<u>Expiration of Term</u>	<u>Votes For</u>	<u>Votes Withheld</u>	<u>Broker Non-Votes</u>
Joel Gorelick	2028	2,837,636	89,737	362,600
Amy W. Han, Ph.D.	2028	2,193,330	734,043	362,600
Robert W. Youman	2028	2,792,305	135,068	362,600
Martin P. Alwin	2028	2,829,874	97,499	362,600

Proposal 2: Approval of Finward Bancorp 2025 Omnibus Equity Incentive Plan. The proposal described below, having received a vote virtually or by proxy of a majority of the votes cast in favor of the proposal, was declared to be duly adopted by the shareholders of the Bancorp. The votes regarding this proposal were as follows:

	<u>For</u>	<u>Against</u>	<u>Abstain</u>	<u>Broker Non-Votes</u>
Approval and ratification of the Finward Bancorp 2025 Omnibus Equity Incentive Plan.	2,509,029	362,574	55,770	362,600

Proposal 3: Ratification of Auditors. The proposal described below, having received a vote virtually or by proxy of more favorable votes than votes cast against the proposal, was declared to be duly adopted by the shareholders of the Bancorp. The votes regarding this proposal were as follows:

	For	Against	Abstain	Broker Non- Votes
Ratification of the appointment of Forvis Mazars, LLP as independent registered public accounting firm for the fiscal year ending December 31, 2025.	3,209,033	19,960	60,980	—

Proposal 4: Advisory Vote on Compensation. The proposal described below, having received an advisory vote virtually or by proxy of more favorable votes than votes cast against the proposal, was declared to be duly adopted by the shareholders of the Bancorp. The votes regarding this proposal were as follows:

	For	Against	Abstain	Broker Non- Votes
Approval, on a non-binding advisory basis, of the executive compensation of the named executive officers included in the proxy statement for the Annual Meeting.	2,520,818	338,729	67,826	362,600

No other matters were considered or voted upon at the Annual Meeting.

Forward-Looking Statements

This Current Report on Form 8-K may contain forward-looking statements regarding the financial performance, business prospects, growth, and operating strategies of the Bancorp. For these statements, the Bancorp claims the protections of the safe harbor for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995. Statements in this report should be considered in conjunction with the other information available about the Bancorp, including the information in the filings the Bancorp makes with the SEC. Forward-looking statements provide current expectations or forecasts of future events and are not guarantees of future performance. The forward-looking statements are based on management's expectations and are subject to a number of risks and uncertainties. Forward-looking statements are typically identified by using words such as "anticipate," "estimate," "project," "intend," "plan," "believe," "will" and similar expressions in connection with any discussion of future operating or financial performance.

Although management believes that the expectations reflected in such forward-looking statements are reasonable, actual results may differ materially from those expressed or implied in such statements. Risks and uncertainties that could cause actual results to differ materially include: changes in domestic and international trade policies, including tariffs and other non-tariff barriers, and the effects of such changes on the Bank and its customers; the Bank's ability to demonstrate compliance with the terms of the previously disclosed consent order and memorandum of understanding entered into between the Bank and the Federal Deposit Insurance Corporation ("FDIC") and Indiana Department of Financial Institutions ("DFI"), or to demonstrate compliance to the satisfaction of the FDIC and/or DFI within prescribed time frames; the Bank's agreement under the memorandum of understanding to refrain from paying cash dividends without prior regulatory approval; changes in asset quality and credit risk; the inability to sustain revenue and earnings growth; changes in interest rates, market liquidity, and capital markets, as well as the magnitude of such changes, which may reduce net interest margins; the aggregate effects of inflation experienced in recent years; further deterioration in the market value of securities held in the Bancorp's investment securities portfolio, whether as a result of macroeconomic factors or otherwise; customer acceptance of the Bancorp's products and services; customer borrowing, repayment, investment, and deposit practices; customer disintermediation; the introduction, withdrawal, success, and timing of business initiatives; competitive conditions; the inability to realize cost savings or revenues or to implement integration plans and other consequences associated with mergers, acquisitions, and divestitures; economic conditions; and the impact, extent, and timing of technological changes, capital management activities, regulatory actions by the FDIC and DFI, and other actions of the Federal Reserve Board and legislative and regulatory actions and reforms. Additional factors that could cause actual results to differ materially from those expressed in the forward-looking statements are discussed in the Bancorp's reports (such as the Annual Report on Form 10-K, Quarterly Reports on Form 10-Q, and

Current Reports on Form 8-K) filed with the SEC and available at the SEC's Internet website (www.sec.gov). All subsequent written and oral forward-looking statements concerning matters attributable to the Bancorp or any person acting on its behalf are expressly qualified in their entirety by the cautionary statements above. Except as required by law, The Bancorp does not undertake any obligation to update any forward-looking statement to reflect circumstances or events that occur after the date the forward-looking statement is made.

In addition to the above factors, we also caution that the actual amounts and timing of any future common stock dividends or share repurchases will be subject to various factors, including our capital position, financial performance, capital impacts of strategic initiatives, market conditions, and regulatory and accounting considerations, as well as any other factors that our Board deems relevant in making such a determination. Therefore, there can be no assurance that we will repurchase shares or pay any dividends to holders of our common stock, or as to the amount of any such repurchases or dividends.

Item 9.01 Financial Statements and Exhibits.

(d) *Exhibits.*

The following exhibits are being furnished with this Current Report on Form 8-K.

<u>Exhibit No.</u>	<u>Exhibit</u>
10.1	<u>Finward Bancorp 2025 Omnibus Equity Incentive Plan.</u>
10.2	<u>Form of Incentive Stock Option Award Agreement under Finward Bancorp 2025 Omnibus Equity Incentive Plan.</u>
10.3	<u>Form of Non-Qualified Stock Option Award Agreement under Finward Bancorp 2025 Omnibus Equity Incentive Plan.</u>
10.4	<u>Form of Restricted Stock Award Agreement under Finward Bancorp 2025 Omnibus Equity Incentive Plan.</u>
10.5	<u>Form of Restricted Stock Units Award Agreement under Finward Bancorp 2025 Omnibus Equity Incentive Plan.</u>
10.6	<u>Form of Performance Shares Award Agreement under Finward Bancorp 2025 Omnibus Equity Incentive Plan.</u>
10.7	<u>Form of Stock Appreciation Rights Award Agreement under Finward Bancorp 2025 Omnibus Equity Incentive Plan.</u>
104	Cover Page Interactive Data File (embedded within the Inline XBRL document).

SIGNATURES

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

Finward Bancorp

Date: May 29, 2025

By: /s/ Benjamin L. Schmitt

Printed Name: Benjamin L. Schmitt

Title: Executive Vice President, Chief Financial Officer and
Treasurer

FINWARD BANCORP
2025 OMNIBUS EQUITY INCENTIVE PLAN

1. Establishment of Plan. Finward Bancorp, an Indiana corporation, hereby establishes the equity-based incentive compensation plan known as the Finward Bancorp 2025 Omnibus Equity Incentive Plan (now, and as hereafter amended from time to time, the “**Plan**”). This Plan permits the grant of Awards, which may be subject to time-based vesting or performance-based vesting, as specified herein. The adoption of this Plan and the grant of Awards hereunder, and, to the extent required hereunder, the adoption of any subsequent amendments, are expressly conditioned upon the approval of this Plan by the shareholders of the Company.

2. Plan Purpose. The purpose of the Plan is (i) to further the long-term growth and financial success of the Company and its subsidiaries by aligning the personal interests of Plan Participants with those of the shareholders of the Company; (ii) to encourage key individuals to accept or continue employment or service with the Company and its subsidiaries; (iii) to provide Plan Participants with an incentive for excellence in individual performance; and (iv) to furnish incentives to such key individuals to improve operations and increase profits by providing such key individuals the opportunity to acquire Shares of the Company or to receive monetary payments based on the value of such Shares.

3. Definitions. The following definitions are applicable to the Plan.

“**Affiliate**” means any “parent corporation” or “subsidiary corporation” of the Company as such terms are defined in Section 424(e) and (f), respectively, of the Code.

“**Affiliated Stock Appreciation Rights**” means a Stock Appreciation Right that is granted in connection with a related Option and that automatically will be deemed to be exercised at the same time that the related Option is exercised.

“**Automatic Exercise Date**” means, with respect to an Option or a Stock Appreciation Right, the earlier of the date applicable Option or Stock Appreciation Right terminates or expires per its terms as initially established by the Committee.

“**Award**” means the grant by the Committee to a Participant of Incentive Stock Options, Non-Qualified Stock Options, Restricted Stock, Unrestricted Stock, Restricted Stock Units, Performance Shares, Stock Appreciation Rights, Other Share-Based Awards, or any combination thereof, as provided in the Plan.

“**Award Agreement**” means the document that evidences the terms and conditions of an Award. Such document shall be referred to as an agreement regardless of whether a Participant’s signature is required. Each Award Agreement shall be subject to the terms and conditions of the Plan, and, if there is any conflict between the Award Agreement and the Plan, the Plan shall control.

“**Board**” means the Board of Directors of the Company.

“**Cause**” means, for purposes of determining whether and when a Participant has incurred a termination of Continuous Service for Cause, any act or failure to act which: (i) results in removal or permanent prohibition of the Participant from participating in the conduct of the Company’s or an Affiliate’s affairs by an order issued under Section 8(e)(4) or 8(g)(1) of the Federal Deposit Insurance Act, 12 U.S.C. § 1818(e)(4) and (g)(1); or (ii) permits the Company to terminate the written agreement or arrangement between the Participant and the Company or an Affiliate for “cause” as defined in such agreement or arrangement. In the event there is no such agreement or arrangement, or the agreement or arrangement does not define the term “cause,” then “Cause” for purposes of this Plan shall mean: (i) the

commission of or plea of no contest to a felony; (ii) an intentional act of fraud, embezzlement, theft, or personal dishonesty, willful misconduct, or breach of fiduciary duty involving personal profit by the Participant in the course of the Participant's employment; *provided that*, (A) no act or failure to act will be deemed to have been intentional or willful if it was due primarily to an error in judgment or negligence, and (B) an act or failure to act will only be considered intentional or willful if it is not in good faith and if it is without a reasonable belief that the action or failure to act is in the best interest of the Company or Peoples Bank; (iii) intentional damage by the Participant to the business or property of the Company or Peoples Bank, causing material harm to the Company or Peoples Bank; (iv) material breach by the Participant of any provision of any agreement between the Participant and the Company or Peoples Bank; (v) material breach of the Company's written policies (such as the Company's code of conduct), including unethical conduct, violation of law or other inappropriate behavior that causes substantial reputational harm to the Company or Peoples Bank or exposes the Company or Peoples Bank to substantial legal liability; (vi) gross negligence or insubordination by Participant in the performance of the Participant's duties, or the Participant's refusal or repeated failure to carry out lawful directives of the Board or of any other supervisor; and (vii) removal or permanent prohibition of the Participant from participating in the conduct of the affairs of the Company or Peoples Bank by an order issued under subsection 8(e)(4) or 8(g)(1) of the Federal Deposit Insurance Act, 12 U.S.C. §§ 1818(e)(4) and (g)(1).

"Change in Control" means any of the events specified in the following clauses: (i) any merger, consolidation, or similar transaction which involves the Company or Peoples Bank and in which persons who are the shareholders of the Company or Peoples Bank immediately prior to the transaction own, immediately after the transaction, shares of the surviving or combined entity which possess voting rights equal to or less than fifty percent (50%) of the voting rights of all shareholders of such entity, determined on a fully-diluted basis; (ii) any sale, lease, exchange, transfer, or other disposition of all or substantially all of the consolidated assets of the Company or Peoples Bank; (iii) any tender, exchange, sale, or other disposition (other than disposition of the capital stock of the Company or Peoples Bank in connection with bankruptcy, insolvency, foreclosure, receivership, or other similar transactions) or purchase (other than purchases by the Company or any Company- or Peoples Bank-sponsored employee benefit plan, or purchases by members of the Board) of shares of capital stock which represent more than twenty-five percent (25%) of the voting power of the Company or Peoples Bank; or (iv) during any period of two consecutive years, individuals who at the date of the adoption of this Plan constitute the Board, cease for any reason to constitute at least a majority thereof, unless the election of each director at the beginning of the period has been approved by directors representing at least a majority of the directors then in office. Notwithstanding the foregoing, a Change in Control will not be deemed to have occurred (x) as a result of the issuance of capital stock by the Company in connection with any public offering of its stock; or (y) due to stock ownership by any employee benefit plan of the Company or Peoples Bank. In the event that an Award constitutes Deferred Compensation, and the settlement of, or distribution of benefits under, such Award is to be triggered solely by a Change in Control, then with respect to such Award, a Change in Control shall be defined as required under Code Section 409A, as in effect at the time of such transaction.

"Code" means the Internal Revenue Code of 1986, as amended.

"Code Section 409A" means the provisions of Section 409A of the Code and any rules, regulations, and interpretative guidance promulgated thereunder.

"Committee" has the meaning set forth in Section 4(a) hereof.

"Company" means Finward Bancorp, an Indiana corporation.

“Consultant” means an individual who is performing services (other than as a Director) for the Company or an Affiliate and is not an Employee. The term Consultant may include retired Directors or advisory board members.

“Continuous Service” means, in the case of an Employee, the absence of any interruption or termination of service as an Employee of the Company or an Affiliate; and in the case of an individual who is not an Employee, the absence of any interruption or termination of the service relationship between the individual and the Company or an Affiliate. Service shall not be considered interrupted in the case of sick leave, military leave, or any other leave of absence approved by the Company or in the case of any transfer between the Company and an Affiliate or any successor to the Company; *provided that*, if any Award is subject to Code Section 409A, this sentence shall only be given effect to the extent consistent with Code Section 409A.

“Deferred Compensation” means “nonqualified deferred compensation” as defined under Code Section 409A.

“Director” means any individual who is a member of the Board or a member of the Board of Directors of any Affiliate.

“Disability” means the following: (i) if the Participant is subject to a written employment agreement (or other similar written agreement) with the Company or an Affiliate that provides a definition of “Disability” or “Disabled,” then, for purposes of this Plan, the terms “Disability” or “Disabled” shall have the meaning set forth in such agreement; and (ii) in the absence of such an agreement, “Disability” shall mean disability as defined in the Federal Social Security Act, which qualifies the Participant for permanent disability insurance in accordance with such act. Disability for purposes of this Plan will not include any disability which is incurred while the Participant is on leave of absence because of military or similar service and for which a governmental pension is payable. To the extent that an Award hereunder is subject to Code Section 409A, “Disability” or “Disabled” shall mean that a Participant: (x) is unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or can be expected to last for a continuous period of not less than twelve months; or (y) is, by reason of any medically determinable physical or mental impairment which can be expected to result in death or can be expected to last for a continuous period of not less than twelve months, receiving income replacement benefits for a period of not less than three months under an accident and health plan covering Employees. Except to the extent prohibited under Code Section 409A, if applicable, the Committee shall have discretion to determine if a termination due to Disability has occurred.

“Effective Date” has the meaning set forth in Section 23 hereof.

“Employee” means any person, including an officer, who is employed by the Company or any Affiliate. Directors who are also employed by the Company or an Affiliate shall be considered Employees under this Plan.

“Exchange Act” means the Securities Exchange Act of 1934, as amended.

“Exercise Price” means the price per Share at which the Shares subject to an Option may be purchased upon exercise of such Option, or the Fair Market Value on the date of grant with respect to a Stock Appreciation Right.

“Fair Market Value” means, as of any date, the officially-quoted closing selling price of the Shares on such date on the principal national securities exchange on which Shares are listed or admitted to trading or, if there have been no sales with respect to Shares on such date, such price on the most immediately preceding date on which there have been such sales, or if the Shares are not so listed or admitted to trading, the Fair Market Value shall be the value established by the Committee in good faith and, to the extent required, in accordance with Code Section 409A and Section 422 of the Code.

“Freestanding Stock Appreciation Rights” means a Stock Appreciation Right that is granted independently of any Option.

“Incentive Stock Option” means an Option to purchase Shares granted by the Committee pursuant to the terms of the Plan that is intended to qualify under Section 422 of the Code.

“Minimum Vesting Period” means the one-year period following the date of grant of an Award.

“Nasdaq” means the Nasdaq Stock Market, or any successor national securities exchange thereof.

“Non-Employee Director” means a Director who is (i) a “non-employee director” within the meaning of Rule 16b-3 of the Exchange Act; and (ii) an “independent director” within the meaning of the listing rules of the Nasdaq, or such other national securities exchange upon which the Company’s Shares are listed.

“Non-Qualified Stock Option” means an Option to purchase Shares granted by the Committee pursuant to the terms of the Plan, which Option does not qualify or is not intended to qualify as an Incentive Stock Option.

“Option” means an Incentive Stock Option or a Non-Qualified Stock Option.

“Other Share-Based Award” means an Award that is not an Award of Options, Restricted Stock, Unrestricted Stock, Restricted Stock Units, Performance Shares, or Stock Appreciation Rights that is granted under Section 14 of this Plan and is payable by delivery of Shares and/or which is measured by reference to the value of the Shares.

“Participant” means any individual selected by the Committee to receive an Award.

“Peoples Bank” means Peoples Bank, an Indiana state-chartered commercial bank and wholly-owned subsidiary of the Company.

“Performance Period” means the one or more periods of time as the Committee may select, over which the attainment of one or more performance goals will be measured for the purpose of determining a Participant’s right to and payment of a Performance Share Award.

“Performance Shares” means Shares awarded pursuant to Section 12 of this Plan.

“Plan” means the Finward Bancorp 2025 Omnibus Equity Incentive Plan.

“Prior Plan” means the Finward Bancorp 2015 Stock Option and Incentive Plan.

“Qualified Retirement Plan” means any plan of the Company or an Affiliate that is intended to be qualified under Section 401(a) of the Code.

“Ratable Portion” has the meaning set forth in Section 9(d) hereof.

“Restricted Period” means the period of time selected by the Committee for the purpose of determining when restrictions are in effect under Sections 9 and 10 hereof with respect to Restricted Stock or Restricted Stock Units awarded under the Plan.

“Restricted Stock” means Shares which have been contingently awarded to a Participant by the Committee subject to the restrictions referred to in Section 9 hereof, so long as such restrictions are in effect.

“Restricted Stock Units” means a grant under Section 10 of this Plan denominated in Shares that is similar to a Restricted Stock Award, except no Shares are actually awarded on the date of grant.

“Retirement” means, with respect to a Participant who is an Employee, the termination of the Participant’s status as an Employee, for any reason other than Cause, death, or Disability, after having attained age 65. The term “Retirement” shall not apply to non-Employee Participants.

“Securities Act” means the Securities Act of 1933, as amended.

“Shares” means the Common Stock, without par value, of the Company.

“Stock Appreciation Rights” means an Award granted to a Participant pursuant to Section 13 of this Plan which provides for the right to receive a payment from the Company in an amount equal to the excess of the Fair Market Value of one Share at the date of exercise over the specified Exercise Price, which shall not be less than 100% of the Fair Market Value of the Shares on the date of grant of the Stock Appreciation Rights Award.

“Tandem Stock Appreciation Rights” means a Stock Appreciation Right that is granted in tandem with a related Option, the exercise of which will require forfeiture of the right to exercise such Option and to purchase an equal number of Shares under the related Option, and, when a Share is purchased pursuant to the exercise of such Option, the Stock Appreciation Right will be forfeited to the same extent.

“Ten Percent Shareholder” means an individual who, at the time of grant, owns stock possessing more than ten percent (10%) of the total combined voting power of all classes of capital stock of the Company or any Affiliate.

“Total Share Reserve” has the meaning set forth in Section 6(a) hereof.

“Unrestricted Stock” means Shares awarded to a Participant by the Committee without any restrictions.

4. Administration.

(a) **Administration by the Committee.** The Plan shall be administered by the Compensation and Benefits Committee of the Board, or such other committee as designated by the Board from time to time (the **“Committee”**), constituted in accordance with this Section 4(a). The Committee shall consist of two or more members of the Board, each of whom shall be a Non-Employee Director. The members of the Committee shall be appointed by the Board. Subject to the applicable rules of the Nasdaq or any other national securities exchange upon which the Company’s Shares are listed, if the Committee does not exist, or for any other reason determined by the Board, the Board may take any action under the Plan that would otherwise be within the authority and responsibility of the Committee.

(b) **Authority of Committee.** Except as limited by the express provisions of the Plan, the Committee shall have sole and complete authority and discretion to (i) select Participants and grant Awards; (ii) determine the number of Shares to be subject to types of Awards generally, as well as to individual Awards granted under the Plan; (iii) determine the terms and conditions upon which Awards shall be granted under the Plan; (iv) prescribe the form and terms of instruments evidencing such grants; (v) establish from time to time procedures and regulations for the administration of the Plan; (vi) accelerate at any time the exercisability or vesting of all or any portion of any Award; (vii) interpret the Plan; (viii) define terms applicable to the Plan which are not otherwise defined herein; and (ix) make all determinations deemed necessary or advisable for the administration of the Plan. The Committee shall, without limitation, have authority to make amendments or modifications of the terms and conditions (including exercisability of the Awards) relating to the effect of termination of employment or services of a Participant. A majority of the Committee shall constitute a quorum, and the acts of a majority of the members present at any meeting at which a quorum is present, or acts approved in writing by all members of the Committee without a meeting, shall be acts of the Committee. All determinations and decisions made by the Committee pursuant to the provisions of the Plan shall be final, conclusive, and binding on all persons, and shall be given the maximum deference permitted by law.

(c) **Delegation of Authority.** The Committee, in its sole discretion and on such terms and conditions as it may provide, may delegate all or any part of its authority and powers under this Plan to one or more Directors or officers of the Company; *provided that*, the Committee may not delegate its authority and powers in any way which would jeopardize the Plan's qualification under Rule 16b-3 of the Exchange Act or adversely impact Awards under Rule 16b-3. The acts of such delegates shall be treated hereunder as acts of the Committee, and such delegates shall report regularly to the Committee regarding the delegated duties and responsibilities. Any such delegation may be revoked by the Committee at any time.

(d) **Information to be Furnished to Committee.** As may be permitted by applicable law, the Company and each Affiliate shall furnish the Committee with such data and information as it determines may be required for it to discharge its duties under the Plan. The records of the Company and each Affiliate as to an employee's or Participant's employment, termination of employment, leave of absence, re-employment, and compensation shall be conclusive with respect to all persons unless determined by the Committee to be manifestly incorrect. Subject to applicable law, Participants and other persons entitled to benefits under the Plan shall furnish the Committee with such evidence, data, or information as the Committee considers necessary or desirable to carry out the terms of the Plan.

5. **Participants.** The Committee may select from time to time Participants in the Plan from those Directors, Employees, or Consultants of the Company or its Affiliates who, in the determination of the Committee, have the capacity for contributing in a substantial measure to the successful performance of the Company or its Affiliates.

6. Shares Subject to Plan.

(a) **Share Limitations.** Subject to adjustment by the operation of Section 15 hereof, the maximum number of Shares with respect to which Awards may be granted under the Plan is (i) 280,000 Shares, less any Shares underlying an award granted under the Prior Plan on or after January 1, 2025 and prior to the Effective Date of this Plan (all of which may be subject to grants of Incentive Stock Options); plus (ii) Shares underlying any award granted under the Prior Plan that expires, terminates, or is canceled or forfeited on or after the Effective Date under the terms of the Prior Plan (the "**Total Share Reserve**"). Any Award that expires, terminates, or is surrendered for cancellation, or with respect to Restricted Stock, which is forfeited (so long as any cash dividends paid on such Shares are also forfeited), or any Award settled for cash in lieu of Shares may be subject to new Awards under the Plan with respect to the number of Shares as to which an expiration, termination, cancellation, or forfeiture has occurred. Notwithstanding

anything to the contrary contained herein, Shares that are withheld by the Company or delivered by the Participant to the Company in order to satisfy payment of the Exercise Price or any tax withholding obligation incurred in connection with the exercise or settlement of an Award, shall not again be made available for grants of Awards under the Plan. During the terms of the Awards, the Company shall keep available at all times the number of Shares required to satisfy such Awards.

(b) **Available Shares.** The Shares with respect to which Awards may be made under the Plan may either be authorized and unissued shares or unissued shares heretofore or hereafter reacquired by the Company in any manner (including Shares purchased in the open market), or any combination thereof, as the Committee may from time to time determine in its sole discretion.

(c) **Maximum Awards to Non-Employee Directors.** Notwithstanding anything to the contrary in this Plan, the value of all Awards awarded under this Plan and all other cash compensation paid by the Company to any Non-Employee Director in any calendar year for services as a Non-Employee Director shall not exceed \$150,000. The Committee may make exceptions to increase such limit to \$200,000 for an individual Non-Employee Director in extraordinary circumstances, such as where a Non-Employee Director serves as the non-executive chairman of the Board or lead independent director or as a member of a special litigation or transactions committee of the Board, as the Committee may determine in its sole discretion; *provided that*, the Non-Employee Director receiving such additional compensation may not participate in the decision to award such compensation involving such Non-Employee Director. For the purpose of this limitation, the value of any Award shall be its grant date fair value, as determined in accordance with Accounting Standards Codification Topic 718 or any successor provision thereof, but excluding the impact of estimated forfeitures related to service-based vesting provisions.

(d) **Substitute Awards.** Awards may, in the sole discretion of the Committee, be granted under the Plan in assumption of, or in substitution for, outstanding awards previously granted by an entity acquired by the Company or an Affiliate or with which the Company or an Affiliate combines (“**Substitute Awards**”). Substitute Awards shall not be counted against the Total Share Reserve; *provided that*, Substitute Awards issued in connection with the assumption of, or in substitution for, outstanding stock options intended to qualify as Incentive Stock Options shall be counted against the maximum number of Shares that may underlie grants of Incentive Stock Options as set forth in Section 6(a) above. Subject to applicable requirements of the Nasdaq or other national securities exchange upon which the Company’s Shares are listed, available shares under a shareholder-approved plan of an entity directly or indirectly acquired by the Company or an Affiliate, or with which the Company or an Affiliate combines (as appropriately adjusted to reflect such acquisition or transaction), may be used for Awards under the Plan and shall not count against the Total Share Reserve.

(e) **Delivery of Shares.** Delivery of Shares or other amounts under the Plan shall be subject to the following:

(i) **Compliance with Applicable Laws.** Notwithstanding any provision of the Plan to the contrary, the Company shall have no obligation to deliver any Shares or make any other distribution of benefits under the Plan unless such delivery or distribution complies with all applicable laws (including without limitation, the requirements of the Securities Act) and the applicable requirements of any securities exchange or similar entity.

(ii) **No Certificates Required.** To the extent that the Plan provides for the delivery of Shares, the delivery may be effected on a non-certificated basis, to the extent not prohibited by applicable law or the applicable rules of any securities exchange or similar entity.

(f) **Minimum Vesting Period.** The vesting period for each Award granted under the Plan shall be at least equal to the Minimum Vesting Period; *provided that*, nothing in this Section 6(f) shall limit the Committee's authority to accelerate the vesting of Awards as set forth in Section 4(b)(vi) above; *provided further that*, notwithstanding the foregoing, up to 5% of the Shares authorized for issuance under the Plan may be utilized for Unrestricted Stock Awards or other Awards with a vesting period that is less than the Minimum Vesting Period (each such Award, an "**Excepted Award**"). Notwithstanding the foregoing, in addition to Excepted Awards, the Committee may grant Awards that vest (or permit previously granted Awards to vest) within the Minimum Vesting Period if such Awards are granted as Substitute Awards in replacement of other Awards (or awards previously granted by an entity being acquired (or assets of which are being acquired)) that were scheduled to vest within the Minimum Vesting Period.

7. Awards.

(a) **General.** Any Award may be granted singularly, in combination with another Award (or Awards), or in tandem whereby the exercise or vesting of one Award held by a Participant cancels another Award held by the Participant. Each Award shall be subject to the provisions of the Plan and such additional provisions as the Committee may provide with respect to such Award and as may be evidenced in the Award Agreement. Subject to the provisions of Section 17 of this Plan, an Award may be granted as an alternative to or replacement of an existing Award under the Plan, any other plan of the Company or an Affiliate, or as the form of payment for grants or rights earned or due under any other compensation plan or arrangement of the Company or an Affiliate, including the plan of any entity acquired by the Company or an Affiliate.

(b) **Available Awards.** The types of Awards that may be granted under this Plan include the following: (i) Incentive Stock Options; (ii) Non-Qualified Stock Options; (iii) Restricted Stock; (iv) Unrestricted Stock; (v) Restricted Stock Units; (vi) Performance Shares; (vii) Stock Appreciation Rights; or (viii) Other Share-Based Awards, or any combination thereof.

8. Stock Options.

(a) **General Terms and Conditions.** The Committee shall have full and complete authority and discretion, except as expressly limited by the Plan, to grant Options and to provide the terms and conditions (which need not be identical among Participants) thereof. In particular, and subject to the terms of Section 8 of this Plan, the Committee shall prescribe the following terms and conditions with respect to each grant of Options: (i) the Exercise Price, which shall not be less than 100% of the Fair Market Value per Share on the date the Option is granted (subject to the provisions of Section 8(c) regarding Incentive Stock Options granted to Ten Percent Shareholders); (ii) the number of Shares subject to, and the expiration date of, any Option; (iii) the manner, time, and rate (cumulative or otherwise) of exercise of such Option; (iv) the vesting period or conditions to vesting (including the attainment of any performance goals); (v) the restrictions, if any, to be placed upon such Option or upon Shares which may be issued upon exercise of such Option; (vi) the conditions, if any, under which a Participant may transfer or assign Options; and (vii) any other terms and conditions as the Committee, in its sole discretion, may determine. Each Option shall be evidenced by an Award Agreement that shall specify the applicable terms and conditions of the Option, including but not limited to, those set forth in the preceding sentence. The Committee may, as a condition of granting any Option, require that a Participant agree to surrender for cancellation one or more Options previously granted to such Participant.

(b) **Exercise of Options.**

(i) **General.** Except as provided in Section 18, an Option granted under the Plan shall be exercisable during the lifetime of the Participant to whom such Option was granted only by such Participant, and except as provided in paragraphs (iii), (iv) and (v) of this Section 8(b), no such Option may be exercised unless at the time such Participant exercises such Option, such Participant has maintained Continuous Service since the date of the grant of such Option.

(ii) **Notice of Exercise; Payment of Exercise Price.** To exercise an Option under the Plan, the Participant must give written notice to the Company (which shall specify the number of Shares with respect to which such Participant elects to exercise such Option) together with full payment of the Exercise Price. The date of exercise shall be the date on which such notice is received by the Company. Payment of the Exercise Price by the Participant shall be made by one or more of the following methods except to the extent otherwise provided in the Award Agreement: (A) in cash (including by check, bank draft, or money order); (B) by delivering Shares already owned by the Participant for at least six (6) months prior to the date of exercise and having a Fair Market Value on the date of exercise equal to part or all of the Exercise Price; (C) by irrevocably authorizing a third party, acceptable to the Committee, to sell Shares acquired upon exercise of the Option and to remit to the Company, no later than the third business day following exercise, a sufficient portion of the sale proceeds to pay the entire Exercise Price and any tax withholding resulting from such exercise, *provided that*, in the event the Participant chooses to pay the Exercise Price as so provided, the Participant and the third party shall comply with such procedures and enter into such agreements of indemnity and other agreements as the Company shall prescribe as a condition of such payment procedure; (D) by a "net exercise" arrangement pursuant to which the Company will reduce the number of Shares issuable upon exercise by the largest whole number of shares with a Fair Market Value that does not exceed the aggregate Exercise Price (and, if applicable, any required tax withholding); or (E) by any other means determined by the Committee in its sole discretion.

(iii) **Termination of Continuous Service.** If the Continuous Service of a Participant is terminated for Cause, or voluntarily by the Participant for any reason other than death, Disability, or Retirement, all rights under any Option of such Participant shall terminate immediately upon such cessation of Continuous Service. If the Continuous Service of a Participant is terminated by reason of death, Disability, or Retirement, such Participant may exercise such Option, but only to the extent such Participant was entitled to exercise such Option at the date of such termination of Continuous Service, at any time during the remaining term of such Option, or, in the case of Incentive Stock Options, during such shorter period as the Committee may determine and so provide in the applicable Award Agreement evidencing the grant of such Option. If a Participant's Continuous Service terminates for any reason other than those set forth above in this Section 8(b)(iii), such Participant may exercise such Option to the extent that such Participant was entitled to exercise such Option at the date of such termination but only within the period of three months immediately succeeding such termination of Continuous Service, and in no event after the expiration date of the subject Option; *provided that*, such right of exercise after termination of Continuous Service shall not be available to a Participant if the Committee otherwise determines and so provides in the applicable Award Agreement evidencing the grant of such Option.

(iv) **Death of Optionholder.** In the event of the death of a Participant while in the Continuous Service of the Company or an Affiliate, the person to whom any Option held by the Participant at the time of his death is transferred by will or by the laws of descent and distribution may exercise such Option on the same terms and conditions that such Participant was entitled to

exercise such Option as of the date of death. Following the death of any Participant to whom an Option was granted under the Plan, the Committee, as an alternative means of settlement of such Option, may elect to pay to the person to whom such Option is transferred the amount by which the Fair Market Value per Share on the date of exercise of such Option shall exceed the Exercise Price of such Option, multiplied by the number of Shares with respect to which such Option is properly exercised. Any such settlement of an Option shall be considered an exercise of such Option for all purposes of the Plan.

(v) **Miscellaneous.** Notwithstanding the provisions of the foregoing paragraphs of this Section 8(b), the Committee may, in its sole discretion, establish different terms and conditions pertaining to the effect of the termination of Continuous Service, to the extent permitted by applicable federal and state law.

(c) **Incentive Stock Options.** Incentive Stock Options may be granted only to Participants who are Employees. Any provisions of the Plan to the contrary notwithstanding: (i) no Incentive Stock Option shall be granted more than ten years after the date the Plan is adopted by the Board, and no Incentive Stock Option shall be exercisable more than ten years after the date such Incentive Stock Option is granted; (ii) subject to the provisions of this paragraph below regarding Ten Percent Shareholders, the Exercise Price of any Incentive Stock Option shall not be less than 100% of the Fair Market Value per Share on the date such Incentive Stock Option is granted; (iii) an Incentive Stock Option shall not be transferable by the Participant to whom such Incentive Stock Option is granted other than by will or the laws of descent and distribution and shall be exercisable during such Participant's lifetime only by such Participant, *provided that*, notwithstanding the foregoing, the Participant to whom an Incentive Stock Option is granted may, by delivering written notice to the Company, in a form satisfactory to the Company, designate a third party who, in the event of the death or Disability of the Participant, shall thereafter be entitled to exercise the Option; and (iv) no Incentive Stock Option shall be granted which would permit a Participant to acquire, through the exercise of Incentive Stock Options in any calendar year, Shares or shares of any capital stock of the Company or any Affiliate thereof having an aggregate Fair Market Value (determined as of the time any Incentive Stock Option is granted) in excess of \$100,000. Notwithstanding the foregoing, in the case of any Participant who, at the date of grant, is a Ten Percent Shareholder, the Exercise Price of any Incentive Stock Option shall not be less than 110% of the Fair Market Value per Share on the date such Incentive Stock Option is granted, and such Incentive Stock Option shall not be exercisable more than five years after the date such Incentive Stock Option is granted. Notwithstanding any other provisions of the Plan, if for any reason any Option granted under the Plan that is intended to be an Incentive Stock Option shall fail to qualify as an Incentive Stock Option, such Option shall be deemed to be a Non-Qualified Stock Option, and such Option shall be deemed to be fully authorized and validly issued under the Plan.

(d) **Non-Qualified Stock Options.** Non-Qualified Stock Options may be granted to any Participant. The term of a Non-Qualified Stock Option granted under the Plan shall be determined by the Committee; *provided that*, no Non-Qualified Stock Option shall be exercisable more than ten years after the date such Non-Qualified Stock Option is granted. The Exercise Price of each Non-Qualified Stock Option shall not be less than 100% of the Fair Market Value per Share on the date the Option is granted. A Non-Qualified Stock Option may, in the sole discretion of the Committee, be transferable by the Participant to whom such Non-Qualified Stock Option is granted upon written approval by the Committee to the extent provided in the Award Agreement; *provided that*, notwithstanding any foregoing provision herein, in no event may any Award of Non-Qualified Stock Options be transferred by a Participant for value, and the Committee shall have no authority to approve any such transfer. If the Award Agreement for the Non-Qualified Stock Option does not provide for transferability, then the Non-Qualified Stock Option shall not be transferable by the Participant to whom such Non-Qualified Stock Option is granted other than by will or the laws of descent and distribution and shall be exercisable during such Participant's lifetime only by such Participant. Notwithstanding the foregoing, the Participant to whom a Non-Qualified Stock Option is granted may, by delivering written notice to the Company, in a form satisfactory to the Company, designate a third party who, in the event of the death or Disability of the Participant, shall thereafter be entitled to exercise the Option.

(e) **Automatic Exercise of In-The-Money Options.** Unless otherwise provided by the Committee in an Award Agreement, or as otherwise directed by a holder of an Option in writing to the Company, each vested and exercisable Option outstanding on the Automatic Exercise Date with an Exercise Price per Share that is less than the Fair Market Value per Share as of such date shall automatically and without further action by the holder of the Option or the Company be exercised on the Automatic Exercise Date. In the sole discretion of the Committee, payment of the Exercise Price of any such Option shall be made pursuant to Section 8(b)(ii)(C) or, to the extent permitted by the Committee, surrendering Shares then issued, and the Company or any Subsidiary shall be entitled to deduct or withhold an amount sufficient to satisfy any withholding obligation associated with such exercise in accordance with Section 21. Unless otherwise determined by the Committee, this Section 8(e) shall not apply to an Option if the holder of such Option incurs a termination of Continuous Service on or before the Automatic Exercise Date. For the avoidance of doubt, no Option with an Exercise Price per Share that is equal to or greater than the Fair Market Value per Share on the Automatic Exercise Date shall be exercised pursuant to this Section 8(e).

9. Restricted Stock Awards.

(a) **General Terms and Conditions.** The Committee shall have full and complete authority and discretion, except as expressly limited by the Plan, to grant Awards of Restricted Stock and, in addition to the terms and conditions set forth in this Section 9, to provide such other terms and conditions (which need not be identical among Participants) in respect of such Awards as the Committee shall determine. In particular, and subject to the terms of Section 9 of this Plan, the Committee shall prescribe the following terms and conditions with respect to each Award of Restricted Stock: (i) the number of Shares covered by the Award; (ii) the date of grant of the Award; (iii) the vesting period or conditions to vesting (including the attainment of any performance goals); and (iv) any other terms and conditions as the Committee, in its sole discretion, may determine. Each Award of Restricted Stock shall be evidenced by an Award Agreement that shall specify the applicable terms and conditions of the Award, including but not limited to, those set forth in the preceding sentence.

(b) **Vesting; Restricted Period.** At the time of an award of Restricted Stock, the Committee may establish for each Participant a Restricted Period during which or at the expiration of which, the Shares of Restricted Stock shall vest. The vesting of Restricted Stock may also be conditioned upon the attainment of specified performance goals or objectives.

(c) **Restrictions.** The Committee may also restrict or prohibit the sale, assignment, transfer, pledge, or other encumbrance of the Shares of Restricted Stock by the Participant during the Restricted Period. Except for such restrictions, and subject to paragraphs (c), (d) and (e) of this Section 9 and Section 15 hereof, the Participant as owner of such Shares shall have all the rights of a shareholder, including, but not limited to, the right to receive all dividends paid on such Shares and the right to vote such Shares. Upon the death or Disability of a Participant, the Committee shall have the authority, in its discretion, to accelerate the time at which any or all of the restrictions shall lapse with respect to any Shares of Restricted Stock prior to the expiration of the Restricted Period with respect thereto. In addition, the Committee shall have the authority, in its discretion, to remove any or all of such restrictions, whenever it may determine that such action is appropriate by reason of changes in applicable tax or other laws or other changes in circumstances occurring after the commencement of such Restricted Period.

(d) **Termination of Continuous Service.** Except as provided in Section 17 hereof, if a Participant ceases to maintain Continuous Service for any reason (other than death, Disability, or Retirement), unless the Committee shall otherwise determine, all Shares of Restricted Stock theretofore awarded to such Participant and which at the time of such termination of Continuous Service are subject to the restrictions imposed by this Section 9 shall upon such termination of Continuous Service be forfeited and returned to the Company. If a Participant ceases to maintain Continuous Service by reason of death, Disability, or Retirement, then, unless the Committee shall determine otherwise, the restrictions with respect to the Ratable Portion (as hereinafter defined) of the Shares of Restricted Stock shall lapse and such Shares shall be free of restrictions and shall not be forfeited. The “**Ratable Portion**” shall be determined with respect to each separate Award of Restricted Stock issued and shall be equal to (i) the number of Shares of Restricted Stock awarded to the Participant multiplied by the portion of the Restricted Period that expired at the date of the Participant’s death, Disability, or Retirement, reduced by (ii) the number of Shares of Restricted Stock awarded with respect to which the restrictions had lapsed as of the date of the death, Disability, or Retirement of the Participant.

(e) **Certificates.** Each certificate issued in respect of Shares of Restricted Stock awarded under the Plan shall be registered in the name of the Participant and deposited by the Participant, together with a stock power endorsed in blank, with the Company and shall bear the following (or a similar) legend:

THE TRANSFERABILITY OF THIS CERTIFICATE AND THE SHARES OF STOCK REPRESENTED HEREBY ARE SUBJECT TO THE TERMS AND CONDITIONS (INCLUDING FORFEITURE) CONTAINED IN THE FINWARD BANCORP 2025 OMNIBUS EQUITY INCENTIVE PLAN, AND AN AGREEMENT ENTERED INTO BETWEEN THE REGISTERED OWNER AND THE COMPANY. COPIES OF SUCH PLAN AND AGREEMENT ARE ON FILE IN THE OFFICE OF THE CORPORATE SECRETARY OF THE COMPANY.

(f) **Expiration of Restrictions.** At the expiration of the restrictions imposed by this Section 9, the Company shall redeliver to the Participant (or where the relevant provision of this Section 9 applies in the case of a deceased Participant, to the Participant’s legal representative, beneficiary, or heir) any certificate(s) and stock power deposited with it, and the Shares, along with any certificate(s) representing such Shares, shall be free of the restrictions referred to in this Section 9.

10. Restricted Stock Units.

(a) **General Terms and Conditions.** The Committee shall have full and complete authority and discretion, except as expressly limited by the Plan, to grant Awards of Restricted Stock Units and, in addition to the terms and conditions set forth in this Section 10, to provide such other terms and conditions (which need not be identical among Participants) in respect of such Awards as the Committee shall determine. In particular, and subject to the terms of Section 10 of this Plan, the Committee shall prescribe the following terms and conditions with respect to each Award of Restricted Stock Units: (i) the number of Restricted Stock Units covered by the Award; (ii) the date of grant of the Restricted Stock Units Award; (iii) the vesting period or conditions to vesting (including the attainment of any performance goals); and (iv) any other terms and conditions as the Committee, in its sole discretion, may determine. Each Award of Restricted Stock Units shall be evidenced by an Award Agreement that shall specify the applicable terms and conditions of the Award, including but not limited to, those set forth in the preceding sentence. Restricted Stock Unit Awards shall be settled in Shares, or in the sole discretion of the Committee determined at the time of settlement, in cash based on the Fair Market Value of a Share multiplied by the number of Restricted Stock Units being settled, or a combination of cash and Shares. A Restricted Stock Unit shall be similar to a Restricted Stock Award except that no Shares are actually awarded to the recipient on the date of grant.

(b) **Vesting.** The Committee may, in connection with the grant of an Award of Restricted Stock Units, condition the vesting thereof upon the continued service of the Participant or upon attainment of performance goals, in the discretion of the Committee. An Award of Restricted Stock Units shall be settled as and when the Restricted Stock Units vest as provided under the Award Agreement. Upon the death or Disability of a Participant, the Committee shall have the authority, in its discretion, to accelerate the time at which any or all of the restrictions shall lapse with respect to any Restricted Stock Units prior to the expiration of the Restricted Period with respect thereto.

(c) **Restrictions.** Subject to the provisions of this Plan and the applicable Award Agreement, during the Restricted Period, if any, set by the Committee, commencing with the date of grant of such Restricted Stock Unit for which such Participant's continued Service is required, and until the later of (i) the expiration of the Restricted Period, and (ii) the date the applicable performance goals (if any) are satisfied, the Participant shall not be permitted to sell, assign, transfer, pledge, or otherwise encumber Restricted Stock Units. Notwithstanding the foregoing sentence, upon the death or Disability of a Participant, the Committee shall have the authority, in its discretion, to accelerate the time at which any or all of the restrictions shall lapse with respect to any Restricted Stock Units prior to the expiration of the Restricted Period with respect thereto. In addition, the Committee shall have the authority, in its discretion, to remove any or all of such restrictions, whenever it may determine that such action is appropriate by reason of changes in applicable tax or other laws or other changes in circumstances occurring after the commencement of such Restricted Period.

(d) **No Voting Rights.** A Participant shall have no voting rights with respect to any Restricted Stock Units.

11. **Unrestricted Stock Awards.** The Committee shall have full and complete authority and discretion, except as expressly limited by the Plan, to grant Awards of Unrestricted Stock and, in addition to the terms and conditions set forth in this Section 11, to provide such other terms and conditions (which need not be identical among Participants) in respect of such Awards as the Committee shall determine. In particular, and subject to the terms of Section 11 of this Plan, the Committee shall prescribe the following terms and conditions with respect to each Award of Unrestricted Stock: (i) the number of Shares covered by the Award; (ii) the date of grant of the Award; and (iii) any other terms and conditions as the Committee, in its sole discretion, may determine. Each Award of Unrestricted Stock shall be evidenced by an Award Agreement that shall specify the applicable terms and conditions of the Award, including but not limited to, those set forth in the preceding sentence.

12. **Performance Shares.** The Committee, in its sole discretion, may from time to time authorize the grant of Performance Shares upon the achievement of any one or combination of performance goals (which may be cumulative and/or alternative), as determined by the Committee. Subject to the terms of Section 12 of this Plan, the Committee shall prescribe the following terms and conditions with respect to each Award of Performance Shares: (i) the number of Shares covered by the Award; (ii) the date of grant of the Award; (iii) the Performance Period applicable to the Award; (iv) the conditions that must be satisfied for a Participant to earn an Award; and (v) any other terms and conditions as the Committee, in its sole discretion, may determine. Each Award of Performance Shares shall be evidenced by an Award Agreement that shall specify the applicable terms and conditions of the Award, including but not limited to, those set forth in the preceding sentence. As determined in the discretion of the Committee, performance goals may differ among Participants and/or relate to performance on a Company-wide or divisional basis.

13. Stock Appreciation Rights.

(a) **General Terms and Conditions.** The Committee shall have full and complete authority and discretion, except as expressly limited by the Plan, to grant Awards of Stock Appreciation Rights and, in addition to the terms and conditions set forth in this Section 13, to provide such other terms and conditions (which need not be identical among Participants) in respect of such Awards as the Committee shall determine. In particular, and subject to the terms of Section 13 of this Plan, the Committee shall prescribe the following terms and conditions with respect to each Award of Stock Appreciation Rights: (i) the number and type of Stock Appreciation Rights covered by the Award; (ii) the date of grant of the Award; (iii) the vesting period or conditions to vesting (including the attainment of any performance goals); (iv) the Exercise Price of the Stock Appreciation Rights (as determined pursuant to this Section 13); and (v) any other terms and conditions as the Committee, in its sole discretion, may determine. The Committee, in its sole discretion, may grant Affiliated Stock Appreciation Rights, Freestanding Stock Appreciation Rights, Tandem Stock Appreciation Rights, or any combination thereof. Each Award of Stock Appreciation Rights shall be evidenced by an Award Agreement that shall specify the applicable terms and conditions of the Award, including but not limited to, those set forth in the preceding sentence.

(b) **Vesting.** The Committee may, in connection with the grant of an Award of Stock Appreciation Rights, condition the vesting thereof upon the continued service of the Participant or upon attainment of performance goals, in the discretion of the Committee. Upon the death or Disability of a Participant, the Committee shall have the authority, in its discretion, to accelerate the vesting of any Stock Appreciation Rights.

(c) **Exercise Price.** The Exercise Price of a Freestanding Stock Appreciation Right will be not less than 100% of the Fair Market Value of a Share on the date of the grant of the Freestanding Stock Appreciation Right Award, and the Exercise Price of Tandem or Affiliated Stock Appreciation Rights will be equal to the Exercise Price of the Option to which such Stock Appreciation Right relates.

(d) **Exercise of Tandem Stock Appreciation Rights.** Tandem Stock Appreciation Rights may be exercised with respect to all or part of the Shares subject to the related Option upon the surrender of the right to exercise the equivalent portion of the related Option. A Tandem Stock Appreciation Right may be exercised only with respect to the Shares to which its related Option is then exercisable. With respect to a Tandem Stock Appreciation Right granted in connection with an Incentive Stock Option, the following requirements shall apply: (i) the Tandem Stock Appreciation Right shall expire not later than the date on which the underlying Incentive Stock Option expires; (ii) the value of the payout with respect to the Tandem Stock Appreciation Right will be no more than 100% of the difference between the Exercise Price of the underlying Incentive Stock Option and 100% of the Fair Market Value of the Shares subject to the underlying Incentive Stock Option at the time the Tandem Stock Appreciation Right is exercised; and (iii) the Tandem Stock Appreciation Right will be exercisable only when the Fair Market Value of the Shares subject to the Incentive Stock Option to which the Tandem Stock Appreciation Right relates exceeds the Exercise Price of the Incentive Stock Option.

(e) **Exercise of Affiliated Stock Appreciation Rights.** An Affiliated Stock Appreciation Right will be deemed to be exercised upon the exercise of the Option to which the Affiliated Stock Appreciation Right relates. The deemed exercise of an Affiliated Stock Appreciation Right shall not reduce the number of Shares subject to the related Option.

(f) **Exercise of Freestanding Stock Appreciation Rights.** Freestanding Stock Appreciation Rights shall be exercisable on such terms and conditions as the Committee, in its sole discretion, specifies in the applicable Award Agreement.

(g) **Expiration of Stock Appreciation Rights.** Each Stock Appreciation Right granted under this Plan shall expire upon the date determined by the Committee, in its sole discretion, as set forth in the applicable Award Agreement; *provided that*, no Stock Appreciation Right shall be exercisable later than the tenth anniversary of its date of grant. Notwithstanding the foregoing, the terms and provisions related to the adjustment of Awards set forth in Section 15 shall also apply to Affiliated and Tandem Stock Appreciation Rights.

(h) **Payment of Stock Appreciation Right Amount.** Upon the exercise of a Stock Appreciation Right, a Participant shall be entitled to receive payment from the Company in an amount determined by multiplying: (i) the positive difference between the Fair Market Value of a Share on the date of exercise and the Exercise Price; by (ii) the number of Shares with respect to which the Stock Appreciation Right is exercised. At the sole discretion of the Committee, the payment may be in cash, in Shares which have a Fair Market Value equal to the cash payment calculated under this Section 13(h), or in a combination of cash and Shares.

(i) **Termination of Stock Appreciation Right.** An Affiliated or Tandem Stock Appreciation Right shall terminate at such time as the Option to which such Stock Appreciation Right relates terminates. A Freestanding Stock Appreciation Right shall terminate at the time provided in the applicable Award Agreement.

(j) **Automatic Exercise of In-The-Money Stock Appreciation Right.** Unless otherwise provided by the Committee in an Award Agreement, or as otherwise directed by a holder of a Stock Appreciation Right in writing to the Company, each vested and exercisable Stock Appreciation Right outstanding on the Automatic Exercise Date with an Exercise Price per Share that is less than the Fair Market Value per Share as of such date shall automatically and without further action by the holder of the Stock Appreciation Right or the Company be exercised on the Automatic Exercise Date. Unless otherwise determined by the Committee, this Section 13(j) shall not apply to a Stock Appreciation Right if the holder of such Stock Appreciation Right incurs a termination of Continuous Service on or before the Automatic Exercise Date. For the avoidance of doubt, no Stock Appreciation Right with an Exercise Price per Share that is equal to or greater than the Fair Market Value per Share on the Automatic Exercise Date shall be exercised pursuant to this Section 13(j).

14. Other Share-Based Awards. The Committee may grant Other Share-Based Awards, either alone or in tandem with other Awards, in such amounts and subject to such conditions, as the Committee shall determine in its sole discretion. Each Other Share-Based Award shall be evidenced by an Award Agreement and shall be subject to such conditions, not inconsistent with this Plan, as may be set forth in the applicable Award Agreement. Such Other Share-Based Awards shall also be available as a form of payment in the settlement of other Awards granted under this Plan or as payment in lieu of compensation.

15. Adjustments Upon Changes in Capitalization. To the extent permitted under Code Section 409A, in the event of any change in the outstanding Shares subsequent to the Effective Date of the Plan by reason of any reorganization, recapitalization, stock split, stock dividend, combination or exchange of Shares, merger, consolidation or any change in the corporate structure or Shares of the Company, the maximum aggregate number and class of Shares as to which Awards may be granted under the Plan and the number and class of Shares, and the Exercise Price of Options and Stock Appreciation Rights, with respect to which Awards theretofore have been granted under the Plan shall be appropriately adjusted by the Committee, whose determination shall be conclusive, in order to prevent the dilution or diminution of such Awards. Any shares of stock or other securities received, as a result of any of the foregoing, by a Participant with respect to Restricted Stock shall be subject to the same restrictions, and the certificate(s) or other instruments representing or evidencing such shares or securities shall be legended and deposited with the Company in the manner provided in Section 9 hereof.

16. No Repricing. Notwithstanding any provision of the Plan to the contrary, no adjustment or reduction of the Exercise Price of any outstanding Option or Stock Appreciation Right in the event of a decline in the price of the Shares shall be permitted without approval by the Company's shareholders. The foregoing prohibition includes (i) reducing the Exercise Price of outstanding Options or Stock Appreciation Rights, (ii) cancelling outstanding Options or Stock Appreciation Rights in connection with the granting of Options or Stock Appreciation Rights with a lower Exercise Price to the same individual, (iii) cancelling Options or Stock Appreciation Rights with an Exercise Price in excess of the current Fair Market Value in exchange for a cash or other payment, and (iv) taking any other action that would be treated as a repricing of an Option or Stock Appreciation Right under the rules of the primary securities exchange or similar entity on which the Shares are listed. In addition, the Company shall not repurchase any outstanding Option or Stock Appreciation Right having an Exercise Price per Share greater than the Fair Market Value of a Share, without shareholder approval.

17. Effect of a Change in Control. Subject to the provisions of this Plan relating to the vesting and acceleration of Awards and Section 15 (relating to the adjustment of Shares), and except as otherwise provided in this Plan or as determined by the Committee and set forth in the terms of any Award Agreement, or as set forth in an employment, consulting, change in control, or severance agreement entered into by and between the Company and an Employee or Consultant, the following provisions shall apply in the event of a Change in Control:

(a) **Continuation, Assumption, or Replacement of Awards.** In the event of a Change in Control, the surviving or successor entity (or its parent corporation) may continue, assume, or replace Awards outstanding as of the date of the Change in Control and such Awards or replacements therefore shall remain outstanding and be governed by their respective terms. A surviving or successor entity may elect to continue, assume, or replace only some Awards or portions of Awards. For purposes of this Section 17, an Award shall be considered assumed or replaced if, in connection with the Change in Control and in a manner consistent with Code Sections 409A and 424, either: (i) the contractual obligations represented by the Award are expressly assumed by the surviving or successor entity (or its parent corporation) with appropriate adjustments to the number and type of securities subject to the Award and the Exercise Price thereof that preserves the intrinsic value of the Award existing at the time of the Change in Control; or (ii) the Participant has received a comparable equity-based award in exchange for an Award that preserves the intrinsic value of the Award existing at the time of the Change in Control and provides for a vesting or exercisability schedule that is the same as, or more favorable to, the Participant.

(b) **Double-Trigger Acceleration.** If and to the extent that Awards are continued, assumed, or replaced under the circumstances described in Section 17(a) in connection with a Change in Control, and if within two years after the Change in Control a Participant experiences an involuntary termination of Continuous Service for reasons other than Cause, then (i) outstanding Options and Stock Appreciation Rights issued to the Participant that are not yet fully exercisable shall immediately become exercisable in full as of the effective date of the Participant's termination of Continuous Service and shall remain exercisable in accordance with their terms; (ii) all unvested Restricted Stock Awards, Restricted Stock Units, Performance Shares, and Other Share-Based Awards shall become immediately fully-vested and non-forfeitable as of the effective date of the Participant's termination of Continuous Service, and the subject Shares, or equity interests that are substituted for the subject Shares as a result of the Change in Control, shall be distributed to the Participant immediately following the effective date of the termination of Continuous Service; and (iii) any performance goals applicable to Restricted Stock Awards, Restricted Stock Units, Performance Shares, and Other Share-Based Awards shall be deemed to have been satisfied at the target level of performance specified in connection with the applicable Award.

(c) **Payment of Awards.** Except as otherwise provided in an Award Agreement, if and to the extent that outstanding Awards under this Plan are not continued, assumed, or replaced in connection with a Change in Control, then the Committee may terminate some or all of such outstanding Awards, in whole or in part, as of the effective time of the Change in Control in exchange for payments to the holders as provided in this Section 17, and the Committee may accelerate the vesting of any outstanding Award, including deeming performance goals applicable to any Award to have been satisfied in whole or in part. The Committee will not be required to treat all Awards similarly for purposes of this Section 17. The Committee may terminate Restricted Stock Awards, Restricted Stock Units, Performance Shares, or Other Share-Based Awards in exchange for a payment in settlement of such Restricted Stock Awards, Restricted Stock Units, Performance Shares, or Other Share-Based Awards in an amount determined by the Committee in good faith to approximate the value assigned to a Share in the Change in Control transaction or other reasonable value. The Committee may (i) terminate outstanding Options or Stock Appreciation Rights in exchange for a payment by the Company, in cash or Shares, as determined by the Committee in good faith, in an amount equal to the excess of the amount by which the fair market value (as determined in good faith by the Committee) of the consideration that would otherwise be received in the Change in Control for the number of Shares subject to the Award or portion thereof being terminated exceeds the Exercise Price of the Options or Stock Appreciation Rights, or (ii) after giving Participants an opportunity to exercise their outstanding Options and Stock Appreciation Rights, terminate any or all unexercised Options or Stock Appreciation Rights at such time as the Committee deems appropriate. Such termination and settlement shall take place as of the effective date of the Change in Control or at such other date as the Committee may specify. The Committee shall have no obligation to take any of the foregoing actions. Additionally, the Board may, in its discretion, take any action and exercise any power, privilege, or discretion conferred on the Committee under this Plan with the same force and effect under this Plan as if done or exercised by the Committee, as permitted or required by applicable law. Any payment shall be made in such form, on such terms and subject to such conditions as the Committee determines in its discretion, which may or may not be the same as the form, terms, and conditions applicable to payments to the Company's shareholders in connection with the Change in Control, and may include subjecting such payments to vesting conditions comparable to those of the Award being terminated.

18. **Assignments and Transfers.** Except as otherwise determined by the Committee, neither any Award nor any right or interest of a Participant under the Plan in any instrument evidencing any Award under the Plan may be assigned, encumbered, or transferred except, in the event of the death of a Participant, by will or the laws of descent and distribution.

19. **No Implied Rights.** No officer, Director, Employee, or other person shall have a right to be selected as a Participant or, having been so selected, to be selected again as a Participant, and no officer, Director, Employee, or other person shall have any claim or right to be granted an Award under the Plan or under any other incentive or similar plan of the Company or any Affiliate. Neither the Plan nor any action taken hereunder shall be construed as giving any Employee any right to be retained in the employ of the Company or any Affiliate.

20. **Delivery and Registration of Stock.** The Company's obligation to deliver Shares with respect to an Award shall, if the Committee so requests, be conditioned upon the receipt of a representation as to the investment intention of the Participant to whom such Shares are to be delivered, in such form as the Company shall determine to be necessary or advisable to comply with the provisions of the Securities Act or any other applicable federal or state securities law. It may be provided that any such representation requirement shall become inoperative upon a registration of the Shares or other action eliminating the necessity of such representation under the Securities Act or other securities law. The Company shall not be required to deliver any Shares under the Plan prior to (a) the admission of such shares to listing on any stock exchange or quotation system on which Shares may then be listed or quoted, and (b) the completion of such registration or other qualification of such Shares under any state or federal law, rule, or regulation, as the Company shall determine to be necessary or advisable.

21. **Withholding Tax.** Where a Participant is entitled to receive Shares upon the vesting or exercise of an Award, the Company shall have the right to require such Participant to pay to the Company the amount of any tax that the Company is required to withhold with respect to such vesting or exercise, or, in lieu thereof, to retain, or to sell without notice, a sufficient number of Shares to cover the amount required to be withheld. To the extent determined by the Committee and specified in an Award Agreement, a Participant shall have the right to direct the Company to satisfy a withholding amount up to a Participant's highest marginal tax rate, provided such withholding does not trigger liability accounting under FASB ASC Topic 718 or its successor required for federal, state, and local tax withholding, by: (a) with respect to an Option, reducing the number of Shares subject to the Option (without issuance of such Shares to the subject Participant) by a number equal to the quotient of (i) the total minimum amount of required tax withholding, divided by (ii) the excess of the Fair Market Value of a Share on the exercise date over the Exercise Price per Share; and (b) with respect to Restricted Stock Awards, Restricted Stock Units, and Performance Shares, withholding a number of Shares (based on the Fair Market Value on the vesting date) otherwise vesting that would satisfy the tax withholding in an amount up to a Participant's highest marginal rate, provided such withholding does not trigger liability accounting under FASB ASC Topic 718 or its successor. Provided there are no adverse accounting consequences to the Company (a requirement to have liability classification of an Award under FASB ASC Topic 718 is an adverse consequence), a Participant who is not required to have taxes withheld may require the Company to withhold in accordance with the preceding sentence as if the Award were subject to tax withholding requirements at the Participant's highest marginal tax rate.

22. **Termination, Amendment, and Modification of Plan.** The Board may at any time terminate, and may at any time and from time to time and in any respect amend or modify, the Plan; *provided that*, to the extent necessary and desirable to comply with Rule 16b-3 under the Exchange Act or Section 422 of the Code (or any other applicable law or regulation, including requirements of any stock exchange or quotation system on which the Shares are listed or quoted), shareholder approval of any Plan amendment shall be obtained in such a manner and to such a degree as is required by the applicable law or regulation; *provided further that*, no termination, amendment, or modification of the Plan shall in any manner adversely affect the rights of any Participant who has been granted an Award pursuant to the Plan without the consent of the Participant to whom the Award was granted. Notwithstanding any provision in this Plan or any Award Agreement to the contrary, the Board may amend this Plan or any Award Agreement, to take effect retroactively or otherwise, as deemed necessary or advisable for the purpose of: (i) conforming this Plan or the Award Agreement to any present or future law relating to plans of this or a similar nature (including, but not limited to, Code Section 409A); or (ii) avoiding an accounting treatment resulting from an accounting pronouncement or interpretation thereof issued by the Securities and Exchange Commission or Financial Accounting Standards Board subsequent to the adoption of this Plan or the making of the Award affected thereby, which, in the sole discretion of the Board, may materially and adversely affect the financial condition or results of operations of the Company. By accepting an Award under this Plan, each Participant agrees and consents to any amendment made pursuant to this Section 22 to any Award granted under this Plan without further consideration or action.

23. **Effective Date and Term of Plan.** The Plan shall become effective upon shareholder approval in accordance with applicable state law, the Company's bylaws and articles of incorporation, and applicable stock exchange rules (the "**Effective Date**") and shall continue in effect for a term of ten years after the Effective Date unless sooner terminated under Section 22 hereof. No Awards may be made hereunder after the tenth anniversary of the Effective Date, and no grants of Incentive Stock Options may be made hereunder after the tenth anniversary of the date the Plan is approved by the Board.

24. Miscellaneous.

(a) **Governing Law.** This Plan, all Awards granted hereunder, and all actions taken in connection herewith shall be governed by and construed in accordance with the laws of the State of Indiana without reference to principles of conflict of laws, except as superseded by applicable federal law. The federal and state courts located in the State of Indiana shall have exclusive jurisdiction over any claim, action, complaint, or lawsuit brought under the terms of this Plan. By accepting any Award under this Plan, each Participant and any other person claiming any rights under this Plan agrees to submit himself or herself and any legal action that the Participant brings under this Plan, to the sole jurisdiction of such courts for the adjudication and resolution of any such disputes.

(b) **Shareholder Rights.** Except as otherwise provided in this Plan or in an Award Agreement, no Award under this Plan shall confer upon a Participant any rights as a shareholder of the Company prior to the date on which the Participant fulfills all conditions for receipt of such rights.

(c) **Section 409A.** Awards granted under this Plan are intended to be exempt from Code Section 409A to the greatest extent possible and to otherwise comply with Code Section 409A. The Plan and all Awards shall be interpreted in accordance with such intent. To the extent that any Award is determined to constitute Deferred Compensation, the Award shall be subject to such additional rules and requirements as specified by the Committee from time to time in order to comply with Code Section 409A. In this regard, if any amount under an Award that is subject to Code Section 409A is payable upon a "separation from service" (within the meaning of Code Section 409A) to a Participant who is then considered a "specified employee" (within the meaning of Code Section 409A), then no such payment shall be made prior to the date that is the earlier of (i) six months and one day after the Participant's separation from service, or (ii) the Participant's death, but only to the extent such delay is necessary to prevent such payment from being subject to interest, penalties, and/or additional tax imposed pursuant to Code Section 409A. Further, the settlement of any Award that is subject to Code Section 409A may not be accelerated except to the extent permitted by Code Section 409A.

(d) **Trading Policy Restrictions.** Option exercises and other Awards under the Plan shall be subject to the Company's insider trading policies and procedures, as in effect from time to time.

(e) **Indemnification.** To the fullest extent permitted by law and the Company's articles of incorporation and by-laws, each person who is or shall have been a member of the Committee, or of the Board, or an officer of the Company or an Affiliate to whom authority was delegated in accordance with Section 4(c), or an Employee of the Company or an Affiliate, shall be indemnified and held harmless by the Company against and from any loss (including amounts paid in settlement), cost, liability, or expense (including reasonable attorneys' fees) that may be imposed upon or reasonably incurred by him or her in connection with or resulting from any claim, action, suit, or proceeding to which he or she may be a party or in which he or she may be involved by reason of any action taken or failure to act under this Plan and against and from any and all amounts paid by him or her in settlement thereof, with the Company's approval, or paid by him or her in satisfaction of any judgment in any such action, suit, or proceeding against him or her, provided that he or she shall give the Company an opportunity, at its own expense, to handle and defend the same before he or she undertakes to handle and defend it on his or her own behalf, unless such loss, cost, liability, or expense is a result of his or her own willful misconduct or except as expressly provided by statute or regulation. The foregoing right of indemnification shall not be exclusive of any other rights of indemnification to which such persons may be entitled under the Company's or any Affiliate's articles of incorporation, by-laws, or similar governing document, or as a matter of law or otherwise, or any power that the Company or any Affiliate may have to indemnify them or hold them harmless. The foregoing right to indemnification shall include the right to be paid by the Company the expenses incurred in defending any such proceeding in advance of its final disposition; *provided that*, if required by applicable law, an advancement of expenses shall be made only upon delivery to the Company of an undertaking, by or on behalf of such persons to repay all amounts so advanced if it shall ultimately be determined by final judicial decision from which there is no further right to appeal that such person is not entitled to be indemnified for such expenses.

(f) **Clawback Policy.** Notwithstanding any other provisions of this Plan, the Company may cancel any Award, require reimbursement of any Award by a Participant, and effect any other right of recoupment of equity or other compensation provided under the Plan in accordance with any recoupment, clawback, or similar policies of the Company that may be adopted and/or modified by the Board from time to time (each such policy, a “**Clawback Policy**”). In addition, a Participant may be required to repay to the Company previously paid compensation, whether provided pursuant to the Plan or an Award Agreement, in accordance with a Clawback Policy. By accepting an Award, the Participant is agreeing to be bound by each Clawback Policy, as in effect or as may be adopted and/or modified from time to time by the Company in its discretion (including, without limitation, to comply with applicable law or stock exchange listing requirements).

(g) **Designation of Beneficiaries.** A Participant hereunder may file with the Company a written designation of a beneficiary or beneficiaries under this Plan and may from time to time revoke or amend any such designation. Any beneficiary designation under this Plan shall be controlling over any other disposition, testamentary or otherwise (unless such disposition is pursuant to a domestic relations order); *provided that*, if the Committee is in doubt as to the entitlement of any such beneficiary to any Award, the Committee may determine to recognize only the legal representative of a Participant, in which case the Company, the Committee, and the members of the Committee shall not be under any further liability in connection therewith.

(h) **Non-Exclusivity.** Neither the adoption of this Plan by the Board nor the submission of this Plan to the shareholders of the Company for approval shall be construed as creating any limitations on the power of the Board or the Committee to adopt such other incentive arrangements as either may deem desirable, and such arrangements may be either generally applicable or applicable only in specific cases.

(i) **Successors.** Subject to the provisions of Sections 15 and 17, all obligations of the Company under this Plan shall be binding upon and inure to the benefit of any successor to the Company, whether the existence of such successor is the result of a direct or indirect purchase, merger, consolidation, or otherwise, of all or substantially all of the business, stock, and/or assets of the Company.

(j) **No Fractional Shares.** Unless otherwise permitted by the Committee, no fractional Shares shall be issued or delivered pursuant to this Plan or any Award. Except as otherwise expressly set forth in Section 8 of this Plan, the Committee shall determine whether cash or other property shall be issued or paid in lieu of fractional Shares or whether such fractional Shares or any rights thereto shall be forfeited or otherwise eliminated by rounding down.

(k) **Benefits Under Other Plans.** Except as otherwise provided by the Committee or as set forth in a Qualified Retirement Plan, Awards to a Participant (including the grant and the receipt of benefits) under this Plan shall be disregarded for purposes of determining the Participant’s benefits under, or contributions to, any Qualified Retirement Plan, non-qualified plan, and any other benefit plans maintained by the Participant’s employer.

(l) **Validity.** If any provision of this Plan is determined to be illegal or invalid for any reason, said illegality or invalidity shall not affect the remaining portions hereof, but this Plan shall be construed and enforced as if such illegal or invalid provision has never been included herein.

(m) **Notice.** Unless otherwise provided in an Award Agreement, all written notices and all other written communications to the Company provided for in this Plan or in any Award Agreement shall be delivered personally or sent by registered or certified mail, return receipt requested, postage prepaid (provided that international mail shall be sent via overnight or two-day delivery), or sent by e-mail or prepaid overnight courier to the Company at its principal executive office. Such notices, demands, claims and other communications shall be deemed given: (i) in the case of delivery by overnight service with guaranteed next day delivery, the next day or the day designated for delivery; (ii) in the case of certified or registered U.S. mail, five days after deposit in the U.S. mail; or (iii) in the case of e-mail, the date upon which the transmitting party received confirmation of receipt; *provided that*, in no event shall any such communications be deemed to be given later than the date they are actually received, provided they are actually received. In the event a communication is not received, it shall only be deemed received upon the showing of an original of the applicable receipt, registration, or confirmation from the applicable delivery service. Communications that are to be delivered by U.S. mail or by overnight service to the Company shall be directed to the attention of the Company's Corporate Secretary, unless otherwise provided in the Participant's Award Agreement.

(n) **Bank Regulatory Requirements.** The grant and settlement of Awards under this Plan shall be conditioned upon and subject to compliance with Section 18(k) of the Federal Deposit Insurance Act, 12 U.S.C. § 1828(k), and the rules and regulations promulgated thereunder.



2025 Omnibus Equity Incentive Plan

**AWARD AGREEMENT
INCENTIVE STOCK OPTIONS**

This Incentive Stock Option Award Agreement (this “**Agreement**”) is made and entered into as of _____, 20____ by and between Finward Bancorp, an Indiana corporation (the “**Company**”) and _____ (the “**Participant**”).

Grant Date:	_____
Exercise Price:	_____
Number of Option Shares:	_____
Expiration Date:	_____

1. Grant of Option.

(a) **Grant; Type of Option.** The Company hereby grants to the Participant an option (the “**Option**”) to purchase the total number of shares of Common Stock, without par value (“**Shares**”), of the Company equal to the number of Option Shares set forth above, at the Exercise Price set forth above. The Option is being granted pursuant to the terms of the Company’s 2025 Omnibus Equity Incentive Plan (the “**Plan**”). The Option is intended to be an Incentive Stock Option within the meaning of Section 422 of the Code, although the Company makes no representation or guarantee that the Option will qualify as an Incentive Stock Option. To the extent that the aggregate Fair Market Value (determined on the Grant Date set forth above) of the Shares with respect to which Incentive Stock Options are exercisable for the first time by a Participant during any calendar year (under all plans of the Company and its Affiliates) exceeds \$100,000, the Options or portions thereof which exceed such limit (according to the order in which they were granted) shall be treated as Non-Qualified Stock Options.

(b) **Consideration; Subject to Plan.** The grant of the Option is made in consideration of the services to be rendered by the Participant to the Company and is subject to the terms and conditions of the Plan. Capitalized terms used but not defined herein will have the meaning ascribed to them in the Plan.

2. Exercise Period; Vesting.

(a) **Vesting Schedule.** The Option will become vested and exercisable as set forth in the Vesting Schedule attached hereto as Appendix A. The unvested portion of the Option will not be exercisable on or after the Participant’s termination of Continuous Service.

(b) **Expiration.** The Option will expire on the Expiration Date set forth above, or earlier as provided in this Agreement or the Plan.

3. Termination of Continuous Service.

(a) **Termination for Reasons Other Than Cause, Death, Disability, or Retirement** If the Participant’s Continuous Service is terminated for any reason other than Cause, death, Disability, or Retirement, the Participant may exercise the vested portion of the Option, but only within such period of time ending on the earlier of (i) the date three months following the termination of the Participant’s Continuous Service, or (ii) the Expiration Date.

(b) **Termination for Cause.** If the Participant’s Continuous Service is terminated for Cause, the Option (whether vested or unvested) shall immediately terminate and cease to be exercisable.

(c) **Termination Due to Disability or Retirement.** If the Participant's Continuous Service terminates as a result of the Participant's Disability, the Participant may exercise the vested portion of the Option, but only within such period of time ending on the earlier of: (i) the date that is 12 months following the Participant's termination of Continuous Service, or (ii) the Expiration Date.

(d) **Termination Due to Death.** If the Participant's Continuous Service terminates as a result of the Participant's death, the vested portion of the Option may be exercised by the Participant's estate, by a person who acquired the right to exercise the Option by bequest or inheritance, or by the person designated to exercise the Option upon the Participant's death, but only within the time period ending on the earlier of: (i) the date that is 12 months following the Participant's termination of Continuous Service, or (ii) the Expiration Date.

4. Manner of Exercise.

(a) **Election to Exercise.** To exercise the Option, the Participant (or in the case of exercise after the Participant's death or Disability, the Participant's executor, administrator, heir, or legatee, as the case may be) must deliver to the Company a written notice of intent to exercise in the manner designated by the Committee, which shall set forth, *inter alia*: (i) the Participant's election to exercise the Option; (ii) the number of Shares being purchased; (iii) any restrictions imposed on the Shares; and (iv) any representations, warranties, and agreements regarding the Participant's investment intent and access to information as may be required by the Company to comply with applicable securities laws. If someone other than the Participant exercises the Option, then such person must submit documentation reasonably acceptable to the Company verifying that such person has the legal right to exercise the Option.

(b) **Payment of Exercise Price.** The entire Exercise Price of the Option shall be payable in full at the time of exercise to the extent permitted by applicable statutes and regulations, either:

(i) in cash or by certified or bank check at the time the Option is exercised;

(ii) by delivery to the Company of other Shares owned by the Participant for at least six (6) months, duly endorsed for transfer to the Company, with a Fair Market Value on the date of delivery equal to the Exercise Price (or portion thereof) due for the number of Shares being acquired, or by means of attestation whereby the Participant identifies for delivery specific Shares that have a Fair Market Value on the date of attestation equal to the Exercise Price (or portion thereof) and receives a number of Shares equal to the difference between the number of Shares thereby purchased and the number of identified attestation Shares;

(iii) through a "cashless exercise program" established with a broker;

(iv) by reduction in the number of Shares otherwise deliverable upon exercise of such Option with a Fair Market Value equal to the aggregate Exercise Price at the time of exercise;

(v) by any combination of the foregoing methods; or

(vi) in any other form of legal consideration that may be acceptable to the Committee.

(c) **Withholding.** Prior to the issuance of Shares upon the exercise of the Option, the Participant must make arrangements satisfactory to the Company to pay or provide for any applicable federal, state, and local withholding obligations of the Company. The Participant may satisfy any federal, state, or local tax withholding obligation relating to the exercise of the Option by any of the following means:

(i) tendering a cash payment; or

(ii) authorizing the Company to withhold Shares from the Shares otherwise issuable to the Participant as a result of the exercise of the Option by a number equal to the quotient of (A) the total minimum amount of required tax withholding, divided by (B) the excess of the Fair Market Value of a Share on the exercise date over the Exercise Price per Share.

The Company has the right to withhold from any compensation paid to a Participant.

(d) **Issuance of Shares.** Provided that the exercise notice and payment are in form and substance satisfactory to the Company, the Company shall issue the Shares registered in the name of the Participant, the Participant's authorized assignee, or the Participant's legal representative, which shall be evidenced by stock certificates representing the Shares with the appropriate legends affixed thereto, appropriate entry on the books of the Company or of a duly authorized transfer agent, or other appropriate means as determined by the Company.

5. **No Right to Continued Employment; No Rights as Shareholder.** Neither the Plan nor this Agreement shall confer upon the Participant any right to be retained in any position, as an Employee, Consultant, or Director of the Company. Further, nothing in the Plan or this Agreement shall be construed to limit the discretion of the Company to terminate the Participant's Continuous Service at any time, with or without Cause. The Participant shall not have any rights as a shareholder with respect to any Shares subject to the Option prior to the date of exercise of the Option.

6. **Transferability.** The Option is not transferable by the Participant other than to a designated beneficiary upon the Participant's death or by will or the laws of descent and distribution, and is exercisable during the Participant's lifetime only by the Participant (except by the Participant's personal representative, if any, in the case of the Participant's Disability). No assignment or transfer of the Option, or the rights represented thereby, whether voluntary or involuntary, by operation of law or otherwise (except to a designated beneficiary upon death by will or the laws of descent or distribution) will vest in the assignee or transferee any interest or right herein whatsoever, but immediately upon such assignment or transfer the Option will terminate and become of no further effect.

7. Change in Control.

(a) **Acceleration of Vesting.** In the event of a Change in Control, the surviving or successor entity (or its parent corporation) may continue, assume, or replace the Options outstanding as of the date of the Change in Control and such Options or replacements therefore shall remain outstanding and be governed by their respective terms. If and to the extent that the Options are continued, assumed, or replaced under the circumstances described in the preceding sentence in connection with a Change in Control, and if within two years after the Change in Control the Participant experiences an involuntary termination of Continuous Service for reason other than Cause, then all outstanding Options issued to the Participant under this Agreement that are not yet fully exercisable shall immediately become exercisable in full as of the effective date of the Participant's termination of Continuous Service and shall remain exercisable in accordance with the terms of the Plan and this Agreement.

(b) **Cash-Out.** In the event of a Change in Control, the Committee may, in its discretion and upon at least ten (10) days' advance notice to the Participant, terminate the Option, in whole or in part, as of the effective time of the Change in Control, in exchange for a payment to the Participant as provided in this Section 7(b), and the Committee, in its discretion, accelerate the vesting of any outstanding Option. Upon the termination of any Option pursuant to the preceding sentence, the Company shall pay to the Participant, in cash or Shares, as determined by the Committee in good faith, an amount equal to the excess

of the amount by which the fair market value (as determined in good faith by the Committee) of the consideration that would otherwise be received in the Change in Control for the number of Shares subject to the Option or portion thereof being terminated exceeds the Exercise Price. In addition, in connection with a Change in Control, the Committee may, in its discretion, after giving the Participant an opportunity to exercise the Participant's outstanding Option, terminate any or all unexercised Option at such time as the Committee deems appropriate. Notwithstanding the foregoing, if at the time of a Change in Control the Exercise Price of the Option equals or exceeds the price paid for a Share in connection with the Change in Control, the Committee may cancel the Option without the payment of consideration therefor.

8. **Adjustments.** The Shares subject to the Option may be adjusted or terminated in any manner as contemplated by Section 15 of the Plan.

9. **Tax Liability and Withholding.** Notwithstanding any action the Company takes with respect to any or all income tax, social insurance, payroll tax, or other tax-related withholding ("**Tax-Related Items**"), the ultimate liability for all Tax-Related Items is and remains the Participant's responsibility and the Company (a) makes no representation or undertakings regarding the treatment of any Tax-Related Items in connection with the grant, vesting, or exercise of the Option or the subsequent sale of any Shares acquired on exercise; and (b) does not commit to structure the Option to reduce or eliminate the Participant's liability for Tax-Related Items.

10. **Qualification as an Incentive Stock Option.** It is understood that this Option is intended to qualify as an Incentive Stock Option as defined in Section 422 of the Code to the extent permitted under applicable law. Accordingly, the Participant understands that in order to obtain the benefits of an Incentive Stock Option, no sale or other disposition may be made of Shares for which Incentive Stock Option treatment is desired within one (1) year following the date of exercise of the Option or within two (2) years from the Grant Date. The Participant understands and agrees that the Company shall not be liable or responsible for any additional tax liability the Participant incurs in the event that the Internal Revenue Service for any reason determines that this Option does not qualify as an Incentive Stock Option within the meaning of the Code.

11. **Disqualifying Disposition.** If the Participant disposes of the Shares prior to the expiration of either two (2) years from the Grant Date or one (1) year from the date the Shares are transferred to the Participant pursuant to the exercise of the Option, the Participant shall notify the Company in writing within thirty (30) days after such disposition of the date and terms of such disposition. The Participant also agrees to provide the Company with any information concerning any such dispositions as the Company requires for tax purposes.

12. **Compliance with Law.** The exercise of the Option and the issuance and transfer of Shares shall be subject to compliance by the Company and the Participant with all applicable requirements of federal and state securities laws and with all applicable requirements of any stock exchange on which the Company's Shares may be listed. No Shares shall be issued pursuant to this Option unless and until any then applicable requirements of state or federal laws and regulatory agencies have been fully complied with to the satisfaction of the Company and its counsel. The Participant understands that the Company is under no obligation to register the Shares with the Securities and Exchange Commission, any state securities commission, or any stock exchange to effect such compliance.

13. **Notices.** Any notice required to be delivered to the Company under this Agreement shall be in writing and addressed to the Corporate Secretary of the Company at the Company's principal corporate offices. Any notice required to be delivered to the Participant under this Agreement shall be in writing and addressed to the Participant at the Participant's address as shown in the records of the Company. Either party may designate another address in writing (or by such other method approved by the Company) from time to time.

14. **Governing Law.** This Agreement will be construed and interpreted in accordance with the laws of the State of Indiana without regard to conflict of law principles.

15. **Clawback.** In accordance with Section 24(f) of the Plan, by accepting the Option, the Participant acknowledges that the Participant is fully bound by, and subject to all of the terms and conditions of, the Clawback Policy, and the Participant agrees to abide by the terms of the Clawback Policy. To the extent that the Board determines that all or a portion of the Option or the Shares issued on exercise of the Option must be cancelled, forfeited, repaid, or otherwise recovered by the Company, the Participant shall promptly take whatever action is necessary to effectuate such cancellation, forfeiture, repayment, or recovery. No recovery of all or a portion of the Option under the Clawback Policy will be an event giving rise to a right to terminate for “good reason” under any agreement with the Company (as such term may be defined under any such agreement). In the event of any conflicts between the terms of the Clawback Policy and the terms of the Plan or this Agreement, the terms of the Clawback Policy shall govern.

16. **Interpretation.** Any dispute regarding the interpretation of this Agreement shall be submitted by the Participant or the Company to the Committee for review. The resolution of such dispute by the Committee shall be final and binding on the Participant and the Company.

17. **Options Subject to Plan.** This Agreement is subject to the Plan as approved by the Company’s shareholders. The terms and provisions of the Plan as it may be amended from time to time are hereby incorporated herein by reference. In the event of a conflict between any term or provision contained herein and a term or provision of the Plan, the applicable terms and provisions of the Plan will govern and prevail.

18. **Successors and Assigns.** The Company may assign any of its rights under this Agreement. This Agreement will be binding upon and inure to the benefit of the successors and assigns of the Company. Subject to the restrictions on transfer set forth herein, this Agreement will be binding upon the Participant and the Participant’s beneficiaries, executors, administrators, and the person(s) to whom the Option may be transferred by will or the laws of descent or distribution.

19. **Severability.** The invalidity or unenforceability of any provision of the Plan or this Agreement shall not affect the validity or enforceability of any other provision of the Plan or this Agreement, and each provision of the Plan and this Agreement shall be severable and enforceable to the extent permitted by law.

20. **Discretionary Nature of Plan.** The Plan is discretionary and may be amended, cancelled, or terminated by the Company at any time, in its discretion, in accordance with the terms of the Plan. The grant of the Option in this Agreement does not create any contractual right or other right to receive any Options or other Awards in the future. Future Awards, if any, will be at the sole discretion of the Company. Any amendment, modification, or termination of the Plan shall not constitute a change or impairment of the terms and conditions of the Participant’s employment with the Company.

21. **Amendment.** The Committee has the right to amend, alter, suspend, discontinue, or cancel the Option, prospectively or retroactively *provided that*, no such amendment shall adversely affect the Participant’s material rights under this Agreement without the Participant’s consent.

22. **No Impact on Other Benefits.** The value of the Participant's Option is not part of the Participant's normal or expected compensation for purposes of calculating any severance, retirement, welfare, insurance, or similar employee benefit.

23. **Counterparts.** This Agreement may be executed in counterparts, each of which shall be deemed an original but all of which together will constitute one and the same instrument. Counterpart signature pages to this Agreement transmitted by facsimile transmission, by electronic mail in portable document format (.pdf), or by any other electronic means intended to preserve the original graphic and pictorial appearance of a document, will have the same effect as physical delivery of the paper document bearing an original signature.

24. **Acceptance.** The Participant hereby acknowledges receipt of a copy of the Plan and this Agreement. The Participant has read and understands the terms and provisions thereof, and accepts the Option subject to all of the terms and conditions of the Plan and this Agreement. The Participant acknowledges that there may be adverse tax consequences upon exercise of the Option or disposition of the underlying Shares and that the Participant should consult a tax advisor prior to such exercise or disposition.

[Signature Page Follows]

IN WITNESS WHEREOF, the Company, by its officer thereunder duly authorized, and the Participant, have caused this Award Agreement to be executed as of the day and year first above written.

FINWARD BANCORP

By: _____
Signature

Printed

Title:

PARTICIPANT

By: _____
Signature

Printed

Job Title

VESTING SCHEDULE

Subject to the provisions of the Plan and the Agreement to which this Appendix A is attached, the Options shall vest and be exercisable by the Participant in accordance with the following schedule:

<u>Date of Vesting/Conditions to Vesting</u>	<u>Percent Vested</u>	<u>Cumulative Vesting</u>
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2025 Omnibus Equity Incentive Plan

**AWARD AGREEMENT
NON-QUALIFIED STOCK OPTIONS**

This Stock Option Award Agreement (this “**Agreement**”) is made and entered into as of ____, 20__ by and between Finward Bancorp, an Indiana corporation (the “**Company**”) and _____ (the “**Participant**”).

Grant Date: _____

Exercise Price: _____

Number of Option Shares: _____

Expiration Date: _____

1. Grant of Option.

(a) **Grant; Type of Option.** The Company hereby grants to the Participant an option (the “**Option**”) to purchase the total number of shares of Common Stock, without par value (“**Shares**”), of the Company equal to the number of Option Shares set forth above, at the Exercise Price set forth above. The Option is being granted pursuant to the terms of the Company’s 2025 Omnibus Equity Incentive Plan (the “**Plan**”). The Option is intended to be a Non-Qualified Stock Option, and not an Incentive Stock Option, within the meaning of Section 422 of the Internal Revenue Code.

(b) **Consideration; Subject to Plan.** The grant of the Option is made in consideration of the services to be rendered by the Participant to the Company and is subject to the terms and conditions of the Plan. Capitalized terms used but not defined herein will have the meaning ascribed to them in the Plan.

2. Exercise Period; Vesting.

(a) **Vesting Schedule.** The Option will become vested and exercisable as set forth in the Vesting Schedule attached hereto as Appendix A. The unvested portion of the Option will not be exercisable on or after the Participant’s termination of Continuous Service.

(b) **Expiration.** The Option will expire on the Expiration Date set forth above, or earlier as provided in this Agreement or the Plan.

3. Termination of Continuous Service.

(a) **Termination for Reasons Other Than Cause, Death, Disability.** If the Participant’s Continuous Service is terminated for any reason other than Cause, death, Disability, or Retirement, the Participant may exercise the vested portion of the Option, but only within such period of time ending on the earlier of (i) the date three months following the termination of the Participant’s Continuous Service, or (ii) the Expiration Date.

(b) **Termination for Cause.** If the Participant’s Continuous Service is terminated for Cause, the Option (whether vested or unvested) shall immediately terminate and cease to be exercisable.

(c) **Termination Due to Disability or Retirement.** If the Participant’s Continuous Service terminates as a result of the Participant’s Disability or Retirement, the Participant may exercise the vested portion of the Option, but only within such period of time ending on the Expiration Date.

(d) **Termination Due to Death.** If the Participant's Continuous Service terminates as a result of the Participant's death, the vested portion of the Option may be exercised by the Participant's estate, by a person who acquired the right to exercise the Option by bequest or inheritance, or by the person designated to exercise the Option upon the Participant's death, but only within the time period ending on the Expiration Date.

(e) **Extension of Termination Date.** If following the Participant's termination of Continuous Service for any reason the exercise of the Option is prohibited because the exercise of the Option would violate the registration requirements under the Securities Act or any other state or federal securities law or the rules of any securities exchange or interdealer quotation system, then the expiration of the Option shall be tolled until the date that is thirty (30) days after the end of the period during which the exercise of the Option would be in violation of such registration or other securities requirements.

4. Manner of Exercise.

(a) **Election to Exercise.** To exercise the Option, the Participant (or in the case of exercise after the Participant's death or Disability, the Participant's executor, administrator, heir, or legatee, as the case may be) must deliver to the Company a written notice of intent to exercise in the manner designated by the Committee, which shall set forth, *inter alia*: (i) the Participant's election to exercise the Option; (ii) the number of Shares being purchased; (iii) any restrictions imposed on the Shares; and (iv) any representations, warranties, and agreements regarding the Participant's investment intent and access to information as may be required by the Company to comply with applicable securities laws. If someone other than the Participant exercises the Option, then such person must submit documentation reasonably acceptable to the Company verifying that such person has the legal right to exercise the Option.

(b) **Payment of Exercise Price.** The entire Exercise Price of the Option shall be payable in full at the time of exercise to the extent permitted by applicable statutes and regulations, either:

(i) in cash or by certified or bank check at the time the Option is exercised;

(ii) by delivery to the Company of other Shares owned by the Participant for at least six (6) months, duly endorsed for transfer to the Company, with a Fair Market Value on the date of delivery equal to the Exercise Price (or portion thereof) due for the number of Shares being acquired, or by means of attestation whereby the Participant identifies for delivery specific Shares that have a Fair Market Value on the date of attestation equal to the Exercise Price (or portion thereof) and receives a number of Shares equal to the difference between the number of Shares thereby purchased and the number of identified attestation Shares;

(iii) through a "cashless exercise program" established with a broker;

(iv) by reduction in the number of Shares otherwise deliverable upon exercise of such Option with a Fair Market Value equal to the aggregate Exercise Price at the time of exercise;

(v) by any combination of the foregoing methods; or

(vi) in any other form of legal consideration that may be acceptable to the Committee.

(c) **Withholding.** Prior to the issuance of Shares upon the exercise of the Option, the Participant must make arrangements satisfactory to the Company to pay or provide for any applicable federal, state, and local withholding obligations of the Company. The Participant may satisfy any federal, state, or local tax withholding obligation relating to the exercise of the Option by any of the following means:

(i) tendering a cash payment; or

(ii) authorizing the Company to withhold Shares from the Shares otherwise issuable to the Participant as a result of the exercise of the Option by a number equal to the quotient of (A) the total minimum amount of required tax withholding, divided by (B) the excess of the Fair Market Value of a Share on the exercise date over the Exercise Price per Share.

The Company has the right to withhold from any compensation paid to a Participant.

(d) **Issuance of Shares.** Provided that the exercise notice and payment are in form and substance satisfactory to the Company, the Company shall issue the Shares registered in the name of the Participant, the Participant's authorized assignee, or the Participant's legal representative, which shall be evidenced by stock certificates representing the Shares with the appropriate legends affixed thereto, appropriate entry on the books of the Company or of a duly authorized transfer agent, or other appropriate means as determined by the Company.

5. **No Right to Continued Employment; No Rights as Shareholder.** Neither the Plan nor this Agreement shall confer upon the Participant any right to be retained in any position, as an Employee, Consultant, or Director of the Company. Further, nothing in the Plan or this Agreement shall be construed to limit the discretion of the Company to terminate the Participant's Continuous Service at any time, with or without Cause. The Participant shall not have any rights as a shareholder with respect to any Shares subject to the Option prior to the date of exercise of the Option.

6. **Transferability.** The Option is not transferable by the Participant other than to a designated beneficiary upon the Participant's death or by will or the laws of descent and distribution, and is exercisable during the Participant's lifetime only by the Participant (except by the Participant's personal representative, if any, in the case of the Participant's Disability). No assignment or transfer of the Option, or the rights represented thereby, whether voluntary or involuntary, by operation of law or otherwise (except to a designated beneficiary upon death by will or the laws of descent or distribution) will vest in the assignee or transferee any interest or right herein whatsoever, but immediately upon such assignment or transfer the Option will terminate and become of no further effect.

7. Change in Control.

(a) **Acceleration of Vesting.** In the event of a Change in Control, the surviving or successor entity (or its parent corporation) may continue, assume, or replace the Options outstanding as of the date of the Change in Control and such Options or replacements therefore shall remain outstanding and be governed by their respective terms. If and to the extent that the Options are continued, assumed, or replaced under the circumstances described in the preceding sentence in connection with a Change in Control, and if within two years after the Change in Control the Participant experiences an involuntary termination of Continuous Service for reason other than Cause, then all outstanding Options issued to the Participant under this Agreement that are not yet fully exercisable shall immediately become exercisable in full as of the effective date of the Participant's termination of Continuous Service and shall remain exercisable in accordance with the terms of the Plan and this Agreement.

(b) **Cash-Out.** In the event of a Change in Control, the Committee may, in its discretion and upon at least ten (10) days' advance notice to the Participant, terminate the Option, in whole or in part, as of the effective time of the Change in Control, in exchange for a payment to the Participant as provided in this Section 7(b), and the Committee, in its discretion, accelerate the vesting of any outstanding Option. Upon the termination of any Option pursuant to the preceding sentence, the Company shall pay to the Participant, in cash or Shares, as determined by the Committee in good faith, an amount equal to the excess of the amount by which the fair market value (as determined in good faith by the Committee) of the consideration that would otherwise be received in the Change in Control for the number of Shares subject to the Option or portion thereof being terminated exceeds the Exercise Price. In addition, in connection with a Change in Control, the Committee may, in its discretion, after giving the Participant an opportunity to exercise the Participant's outstanding Option, terminate any or all unexercised Option at such time as the Committee deems appropriate. Notwithstanding the foregoing, if at the time of a Change in Control the Exercise Price of the Option equals or exceeds the price paid for a Share in connection with the Change in Control, the Committee may cancel the Option without the payment of consideration therefor.

8. **Adjustments.** The Shares subject to the Option may be adjusted or terminated in any manner as contemplated by Section 15 of the Plan.

9. **Tax Liability and Withholding.** Notwithstanding any action the Company takes with respect to any or all income tax, social insurance, payroll tax, or other tax-related withholding ("**Tax-Related Items**"), the ultimate liability for all Tax-Related Items is and remains the Participant's responsibility and the Company (a) makes no representation or undertakings regarding the treatment of any Tax-Related Items in connection with the grant, vesting, or exercise of the Option or the subsequent sale of any Shares acquired on exercise; and (b) does not commit to structure the Option to reduce or eliminate the Participant's liability for Tax-Related Items.

10. **Compliance with Law.** The exercise of the Option and the issuance and transfer of Shares shall be subject to compliance by the Company and the Participant with all applicable requirements of federal and state securities laws and with all applicable requirements of any stock exchange on which the Company's Shares may be listed. No Shares shall be issued pursuant to this Option unless and until any then applicable requirements of state or federal laws and regulatory agencies have been fully complied with to the satisfaction of the Company and its counsel. The Participant understands that the Company is under no obligation to register the Shares with the Securities and Exchange Commission, any state securities commission, or any stock exchange to effect such compliance.

11. **Notices.** Any notice required to be delivered to the Company under this Agreement shall be in writing and addressed to the Corporate Secretary of the Company at the Company's principal corporate offices. Any notice required to be delivered to the Participant under this Agreement shall be in writing and addressed to the Participant at the Participant's address as shown in the records of the Company. Either party may designate another address in writing (or by such other method approved by the Company) from time to time.

12. **Governing Law.** This Agreement will be construed and interpreted in accordance with the laws of the State of Indiana without regard to conflict of law principles.

13. **Clawback.** In accordance with Section 24(f) of the Plan, by accepting the Option, the Participant acknowledges that the Participant is fully bound by, and subject to all of the terms and conditions of, the Clawback Policy, and the Participant agrees to abide by the terms of the Clawback Policy. To the extent that the Board determines that all or a portion of the Option or the Shares issued on exercise of the Option must be cancelled, forfeited, repaid, or otherwise recovered by the Company, the Participant shall promptly take whatever action is necessary to effectuate such cancellation, forfeiture, repayment, or recovery. No recovery of all or a portion of the Option under the Clawback Policy will be an event giving rise to a right to terminate for "good reason" under any agreement with the Company (as such term may be defined under any such agreement). In the event of any conflicts between the terms of the Clawback Policy and the terms of the Plan or this Agreement, the terms of the Clawback Policy shall govern.

14. **Interpretation.** Any dispute regarding the interpretation of this Agreement shall be submitted by the Participant or the Company to the Committee for review. The resolution of such dispute by the Committee shall be final and binding on the Participant and the Company.

15. **Options Subject to Plan.** This Agreement is subject to the Plan as approved by the Company's shareholders. The terms and provisions of the Plan as it may be amended from time to time are hereby incorporated herein by reference. In the event of a conflict between any term or provision contained herein and a term or provision of the Plan, the applicable terms and provisions of the Plan will govern and prevail.

16. **Successors and Assigns.** The Company may assign any of its rights under this Agreement. This Agreement will be binding upon and inure to the benefit of the successors and assigns of the Company. Subject to the restrictions on transfer set forth herein, this Agreement will be binding upon the Participant and the Participant's beneficiaries, executors, administrators, and the person(s) to whom the Option may be transferred by will or the laws of descent or distribution.

17. **Severability.** The invalidity or unenforceability of any provision of the Plan or this Agreement shall not affect the validity or enforceability of any other provision of the Plan or this Agreement, and each provision of the Plan and this Agreement shall be severable and enforceable to the extent permitted by law.

18. **Discretionary Nature of Plan.** The Plan is discretionary and may be amended, cancelled, or terminated by the Company at any time, in its discretion, in accordance with the terms of the Plan. The grant of the Option in this Agreement does not create any contractual right or other right to receive any Options or other Awards in the future. Future Awards, if any, will be at the sole discretion of the Company. Any amendment, modification, or termination of the Plan shall not constitute a change or impairment of the terms and conditions of the Participant's employment with the Company.

19. **Amendment.** The Committee has the right to amend, alter, suspend, discontinue, or cancel the Option, prospectively or retroactively *provided that*, no such amendment shall adversely affect the Participant's material rights under this Agreement without the Participant's consent.

20. **No Impact on Other Benefits.** The value of the Participant's Option is not part of the Participant's normal or expected compensation for purposes of calculating any severance, retirement, welfare, insurance, or similar employee benefit.

21. **Counterparts.** This Agreement may be executed in counterparts, each of which shall be deemed an original but all of which together will constitute one and the same instrument. Counterpart signature pages to this Agreement transmitted by facsimile transmission, by electronic mail in portable document format (.pdf), or by any other electronic means intended to preserve the original graphic and pictorial appearance of a document, will have the same effect as physical delivery of the paper document bearing an original signature.

22. **Acceptance.** The Participant hereby acknowledges receipt of a copy of the Plan and this Agreement. The Participant has read and understands the terms and provisions thereof, and accepts the Option subject to all of the terms and conditions of the Plan and this Agreement. The Participant acknowledges that there may be adverse tax consequences upon exercise of the Option or disposition of the underlying Shares and that the Participant should consult a tax advisor prior to such exercise or disposition.

IN WITNESS WHEREOF, the Company, by its officer thereunder duly authorized, and the Participant, have caused this Award Agreement to be executed as of the day and year first above written.

FINWARD BANCORP

By: _____
Signature

Printed

Title:

PARTICIPANT

By: _____
Signature

Printed

Job Title

VESTING SCHEDULE

Subject to the provisions of the Plan and the Agreement to which this Appendix A is attached, the Options shall vest and be exercisable by the Participant in accordance with the following schedule:

<u>Date of Vesting/Conditions to Vesting</u>	<u>Percent Vested</u>	<u>Cumulative Vesting</u>
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AWARD AGREEMENT RESTRICTED STOCK

This Restricted Stock Award Agreement (this “**Agreement**”) is made and entered into as of ____, 20__ by and between Finward Bancorp, an Indiana corporation (the “**Company**”) and ____ (the “**Grantee**”).

Grant Date: _____
Number of Shares of Restricted Stock: _____
Vesting Date: _____

WHEREAS, the Company has adopted the Finward Bancorp 2025 Omnibus Equity Incentive Plan (the “**Plan**”) pursuant to which awards of Restricted Stock may be granted; and

WHEREAS, the Committee has determined that it is in the best interests of the Company and its shareholders to grant the award of Restricted Stock provided for herein.

NOW, THEREFORE, the parties hereto, intending to be legally bound, agree as follows:

1. **Grant of Restricted Stock.** Pursuant to Section 9 of the Plan, the Company hereby issues to the Grantee on the Grant Date a Restricted Stock Award consisting of, in the aggregate, ____ shares of Common Stock, without par value, of the Company (the “**Restricted Stock**”), on the terms and conditions and subject to the restrictions set forth in this Agreement and the Plan. Capitalized terms that are used but not defined herein have the meanings ascribed to them in the Plan.

2. **Consideration.** The grant of the Restricted Stock is made in consideration of the services to be rendered by the Grantee to the Company.

3. **Restricted Period; Vesting.**

(a) Except as otherwise provided herein, provided that the Grantee remains in Continuous Service through the applicable vesting date, and further provided that any additional conditions and performance goals set forth in Appendix A have been satisfied, the Restricted Stock will vest in accordance with the Vesting Schedule attached hereto as Appendix A. The period over which the Restricted Stock vests is referred to as the “**Restricted Period**.”

(b) The Vesting Schedule notwithstanding, and except as otherwise provided in Section 4 hereof in connection with a Change in Control, if the Grantee ceases to maintain Continuous Service for any reason (other than death, Disability, or Retirement), unless the Committee shall otherwise determine, all Shares of Restricted Stock theretofore awarded to the Grantee pursuant to this Agreement and which at the time of such termination of Continuous Service are unvested and remain subject to the restrictions imposed by this Agreement shall, upon such termination of Continuous Service, be automatically forfeited and neither the Company nor any Affiliate shall have any further obligations to the Grantee under this Agreement. If the Grantee ceases to maintain Continuous Service by reason of death, Disability, or Retirement, then, unless the Committee shall determine otherwise, the restrictions with respect to the Ratable Portion of the Shares of Restricted Stock shall lapse and such Shares shall be free of restrictions and shall not be forfeited. For purposes of this Agreement, the “**Ratable Portion**” shall be equal to (i) the number of Shares of Restricted Stock awarded to the Grantee under this Agreement multiplied by the portion of the Restricted Period that expired at the date of the Grantee’s death, Disability, or Retirement, reduced by (ii) the number of Shares of Restricted Stock awarded with respect to which the restrictions had lapsed as of the date of death, Disability, or Retirement of the Grantee.

4. Change in Control.

(a) **Acceleration of Vesting.** In the event of a Change in Control, the surviving or successor entity (or its parent corporation) may continue, assume, or replace the Award of Restricted Stock outstanding as of the date of the Change in Control and such Restricted Stock or replacement therefore shall remain outstanding and be governed by its terms. If and to the extent that the Award of Restricted Stock is continued, assumed, or replaced under the circumstances described in the preceding sentence in connection with a Change in Control, and if within two years after the Change in Control the Grantee experiences an involuntary termination of Continuous Service for reason other than Cause, then (i) all outstanding unvested Shares of Restricted Stock issued to the Grantee under this Agreement shall become immediately fully-vested and non-forfeitable as of the effective date of the Grantee's termination of Continuous Service, (ii) the subject Shares, or equity interests that are substituted for the subject Shares as a result of the Change in Control, shall be distributed to the Grantee immediately following the effective date of the termination of Continuous Service, and (iii) any performance goals applicable to the Restricted Stock Awards shall be deemed to have been satisfied at the target level of performance specified in connection with the Award.

(b) **Cash-Out.** In the event of a Change in Control, the Committee may, in its discretion and upon at least ten (10) days' advance notice to the Grantee, terminate the Award of Restricted Stock, in whole or in part, as of the effective time of the Change in Control, in exchange for a payment to the Grantee as provided in this Section 4(b), and the Committee, in its discretion, accelerate the vesting of any outstanding Restricted Stock. Upon the termination of any Restricted Stock pursuant to the preceding sentence, the Company shall pay to the Grantee, in settlement of such Restricted Stock, an amount determined by the Committee in good faith to approximate the value assigned to a Share in the Change in Control transaction.

5. **Restrictions.** Subject to any exceptions set forth in this Agreement or the Plan, during the Restricted Period, the Restricted Stock or the rights relating thereto may not be assigned, alienated, pledged, attached, sold or otherwise transferred or encumbered by the Grantee. Any attempt to assign, alienate, pledge, attach, sell or otherwise transfer or encumber the Restricted Stock or the rights relating thereto during the Restricted Period shall be wholly ineffective and, if any such attempt is made, the Restricted Stock will be forfeited by the Grantee and all of the Grantee's rights to such shares shall immediately terminate without any payment or consideration by the Company.

6. Rights as Shareholder; Dividends.

(a) The Grantee shall be the record owner of the Restricted Stock until the Shares are sold or otherwise disposed of, and shall be entitled to all of the rights of a shareholder of the Company including, without limitation, the right to vote such shares and receive all dividends or other distributions paid with respect to such shares.

(b) The Company may issue stock certificates or evidence the Grantee's interest by using a restricted book entry account with the Company's transfer agent.

(c) If the Grantee forfeits any rights the Grantee has under this Agreement in accordance with Section 3, the Grantee shall, on the date of such forfeiture, no longer have any rights as a shareholder with respect to the Restricted Stock and shall no longer be entitled to vote or receive dividends on such Shares.

7. **No Right to Continued Service.** Neither the Plan nor this Agreement shall confer upon the Grantee any right to be retained in any position, as an Employee, Consultant, or Director of the Company. Further, nothing in the Plan or this Agreement shall be construed to limit the discretion of the Company to terminate the Grantee's Continuous Service at any time, with or without Cause.

8. **Adjustments.** If any change is made to the outstanding Shares or the capital structure of the Company, if required, the Shares shall be adjusted or terminated in any manner as contemplated by Section 15 of the Plan.

9. **Tax Liability and Withholding.**

(a) The Grantee shall be required to pay to the Company, and the Company shall have the right to deduct from any compensation paid to the Grantee pursuant to the Plan, the amount of any required withholding taxes in respect of the Restricted Stock and to take all such other action as the Committee deems necessary to satisfy all obligations for the payment of such withholding taxes. The Committee may permit the Grantee to satisfy any federal, state, or local tax withholding obligation by any of the following means, or by a combination of such means: (i) tendering a cash payment; or (ii) authorizing the Company to withhold Shares (based on the Fair Market Value of the Shares on the vesting date) from the Shares otherwise issuable or deliverable to the Grantee as a result of the vesting of the Restricted Stock in an amount up to the Grantee's highest marginal tax rate.

(b) Notwithstanding any action the Company takes with respect to any or all income tax, social insurance, payroll tax, or othertax-related withholding ("**Tax-Related Items**"), the ultimate liability for all Tax-Related Items is and remains the Grantee's responsibility and the Company (i) makes no representation or undertakings regarding the treatment of any Tax-Related Items in connection with the grant or vesting of the Restricted Stock or the subsequent sale of any Shares; and (ii) does not commit to structure the Restricted Stock to reduce or eliminate the Grantee's liability for Tax-Related Items.

10. **Section 83(b) Election.** The Grantee may make an election under Code Section 83(b) (a "**Section 83(b) Election**") with respect to the Restricted Stock. Any such election must be made within thirty (30) days after the Grant Date. If the Grantee elects to make a Section 83(b) Election, the Grantee shall provide the Company with a copy of an executed version and satisfactory evidence of the filing of the executed Section 83(b) Election with the Internal Revenue Service. The Grantee agrees to assume full responsibility for ensuring that the Section 83(b) Election is actually and timely filed with the Internal Revenue Service and for all tax consequences resulting from the Section 83(b) Election.

11. **Compliance with Law.** The issuance and transfer of Shares shall be subject to compliance by the Company and the Grantee with all applicable requirements of federal and state securities laws and with all applicable requirements of any stock exchange on which the Company's Shares may be listed. No Shares shall be issued or transferred unless and until any then applicable requirements of state and federal laws and regulatory agencies have been fully complied with to the satisfaction of the Company and its counsel. The Grantee understands that the Company is under no obligation to register the Shares with the Securities and Exchange Commission, any state securities commission or any stock exchange to effect such compliance.

12. **Legends.** A legend may be placed on any certificate(s) or other document(s) delivered to the Grantee indicating restrictions on transferability of the Shares of Restricted Stock pursuant to this Agreement or any other restrictions that the Committee may deem advisable under the rules, regulations, and other requirements of the Securities and Exchange Commission, any applicable federal or state securities laws or any stock exchange on which the Shares are then listed or quoted.

13. **Notices.** Any notice required to be delivered to the Company under this Agreement shall be in writing and addressed to the Corporate Secretary of the Company at the Company's principal corporate offices. Any notice required to be delivered to the Grantee under this Agreement shall be in writing and addressed to the Grantee at the Grantee's address as shown in the records of the Company. Either party may designate another address in writing (or by such other method approved by the Company) from time to time.

14. **Governing Law.** This Agreement will be construed and interpreted in accordance with the laws of the State of Indiana without regard to conflict of law principles.

15. **Clawback.** In accordance with Section 24(f) of the Plan, by accepting the Award of Restricted Stock, the Grantee acknowledges that the Grantee is fully bound by, and subject to all of the terms and conditions of, the Clawback Policy, and the Grantee agrees to abide by the terms of the Clawback Policy. To the extent that the Board determines that all or a portion of the Award of Restricted Stock must be cancelled, forfeited, repaid, or otherwise recovered by the Company, the Grantee shall promptly take whatever action is necessary to effectuate such cancellation, forfeiture, repayment, or recovery. No recovery of all or a portion of the Shares of Restricted Stock under the Clawback Policy will be an event giving rise to a right to terminate for "good reason" under any agreement with the Company (as such term may be defined under any such agreement). In the event of any conflicts between the terms of the Clawback Policy and the terms of the Plan or this Agreement, the terms of the Clawback Policy shall govern.

16. **Interpretation.** Any dispute regarding the interpretation of this Agreement shall be submitted by the Grantee or the Company to the Committee for review. The resolution of such dispute by the Committee shall be final and binding on the Grantee and the Company.

17. **Restricted Stock Subject to Plan.** This Agreement is subject to the Plan as approved by the Company's shareholders. The terms and provisions of the Plan as it may be amended from time to time are hereby incorporated herein by reference. In the event of a conflict between any term or provision contained herein and a term or provision of the Plan, the applicable terms and provisions of the Plan will govern and prevail.

18. **Successors and Assigns.** The Company may assign any of its rights under this Agreement. This Agreement will be binding upon and inure to the benefit of the successors and assigns of the Company. Subject to the restrictions on transfer set forth herein, this Agreement will be binding upon the Grantee and the Grantee's beneficiaries, executors, administrators, and the person(s) to whom the Restricted Stock may be transferred by will or the laws of descent or distribution.

19. **Severability.** The invalidity or unenforceability of any provision of the Plan or this Agreement shall not affect the validity or enforceability of any other provision of the Plan or this Agreement, and each provision of the Plan and this Agreement shall be severable and enforceable to the extent permitted by law.

20. **Discretionary Nature of Plan.** The Plan is discretionary and may be amended, cancelled, or terminated by the Company at any time, in its discretion, in accordance with the terms of the Plan. The Award of the Restricted Stock in this Agreement does not create any contractual right or other right to receive any Restricted Stock or other Awards in the future. Future Awards, if any, will be at the sole discretion of the Company. Any amendment, modification, or termination of the Plan shall not constitute a change or impairment of the terms and conditions of the Grantee's employment with the Company.

21. **Amendment.** The Committee has the right to amend, alter, suspend, discontinue, or cancel the Restricted Stock, prospectively or retroactively; *provided that*, no such amendment shall adversely affect the Grantee's material rights under this Agreement without the Grantee's consent.

22. **No Impact on Other Benefits.** The value of the Grantee's Restricted Stock is not part of the Grantee's normal or expected compensation for purposes of calculating any severance, retirement, welfare, insurance, or similar employee benefit.

23. **Counterparts.** This Agreement may be executed in counterparts, each of which shall be deemed an original but all of which together will constitute one and the same instrument. Counterpart signature pages to this Agreement transmitted by facsimile transmission, by electronic mail in portable document format (.pdf), or by any other electronic means intended to preserve the original graphic and pictorial appearance of a document, will have the same effect as physical delivery of the paper document bearing an original signature.

24. **Acceptance.** The Grantee hereby acknowledges receipt of a copy of the Plan and this Agreement. The Grantee has read and understands the terms and provisions thereof, and accepts the Restricted Stock subject to all of the terms and conditions of the Plan and this Agreement. The Grantee acknowledges that there may be adverse tax consequences upon the grant or vesting of the Restricted Stock or disposition of the underlying Shares and that the Grantee has been advised to consult a tax advisor prior to such grant, vesting, or disposition.

[Signature Page Follows]

IN WITNESS WHEREOF, the Company, by its officer thereunder duly authorized, and the Grantee, have caused this Award Agreement to be executed as of the day and year first above written.

FINWARD BANCORP

By: _____
Signature

Printed

Title:

GRANTEE

By: _____
Signature

Printed

Job Title

VESTING SCHEDULE

Subject to the provisions of the Plan and the Agreement to which this Appendix A is attached, the Restricted Stock shall vest in accordance with the following schedule:

<u>Date of Vesting/Conditions to Vesting</u>	<u>Percent Vested</u>	<u>Cumulative Vesting</u>
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**AWARD AGREEMENT
RESTRICTED STOCK UNITS**

This Restricted Stock Unit Award Agreement (this “**Agreement**”) is made and entered into as of _____, 20____ by and between Finward Bancorp, an Indiana corporation (the “**Company**”) and _____ (the “**Grantee**”).

Grant Date: _____
Number of Restricted Stock Units: _____
Vesting Date: _____

WHEREAS, the Company has adopted the Finward Bancorp 2025 Omnibus Equity Incentive Plan (the “**Plan**”) pursuant to which awards of Restricted Stock Units may be granted; and

WHEREAS, the Committee has determined that it is in the best interests of the Company and its shareholders to grant the award of Restricted Stock Units provided for herein.

NOW, THEREFORE, the parties hereto, intending to be legally bound, agree as follows:

1. Grant of Restricted Stock Units.

(a) Pursuant to Section 10 of the Plan, the Company hereby issues to the Grantee on the Grant Date an Award consisting of, in the aggregate, _____ Restricted Stock Units (the “**Restricted Stock Units**”). Each Restricted Stock Unit represents the right to receive one share of Common Stock, without par value (a “**Share**”), or, in the sole discretion of the Committee, a cash amount equal to the Fair Market Value of one Share, subject to the terms and conditions set forth in this Agreement and the Plan. Capitalized terms that are used but not defined herein have the meaning ascribed to them in the Plan.

(b) The Restricted Stock Units shall be credited to a separate account maintained for the Grantee on the books and records of the Company (the “**Account**”). All amounts credited to the Account shall continue for all purposes to be part of the general assets of the Company.

2. Consideration. The grant of the Restricted Stock Units is made in consideration of the services to be rendered by the Grantee to the Company.

3. Vesting.

(a) Except as otherwise provided herein, provided that the Grantee remains in Continuous Service through the applicable vesting date, and further provided that any additional conditions and performance goals set forth in Appendix A have been satisfied, the Restricted Stock Units will vest in accordance with the Vesting Schedule attached hereto as Appendix A. The period during which restrictions apply is referred to as the “**Restricted Period**.” Once vested, the Restricted Stock Units become “**Vested Units**.”

(b) The Vesting Schedule notwithstanding, and except as otherwise provided in Section 4 hereof in connection with a Change in Control, if the Grantee ceases to maintain Continuous Service for any reason (other than death, Disability, or Retirement), unless the Committee shall otherwise determine, all Restricted Stock Units theretofore awarded to the Grantee pursuant to this Agreement and which at the time of such termination of Continuous Service are unvested and remain subject to the restrictions imposed by this Agreement shall, upon such termination of Continuous Service, be automatically forfeited and

neither the Company nor any Affiliate shall have any further obligations to the Grantee under this Agreement. If the Grantee ceases to maintain Continuous Service by reason of death, Disability, or Retirement, then, unless the Committee shall determine otherwise, the restrictions with respect to the Ratable Portion of the Restricted Stock Units shall lapse and such Restricted Stock Units shall be free of restrictions and shall not be forfeited. For purposes of this Agreement, the “**Ratable Portion**” shall be equal to (i) the number of Restricted Stock Units awarded to the Grantee under this Agreement multiplied by the portion of the Restricted Period that expired at the date of the Grantee’s death, Disability, or Retirement, reduced by (ii) the number of Restricted Stock Units awarded with respect to which the restrictions had lapsed as of the date of death, Disability, or Retirement of the Grantee.

4. Change in Control.

(a) **Acceleration of Vesting.** In the event of a Change in Control, the surviving or successor entity (or its parent corporation) may continue, assume, or replace the Restricted Stock Units outstanding as of the date of the Change in Control and such Restricted Stock Units or replacement therefore shall remain outstanding and be governed by its terms. If and to the extent that the Restricted Stock Units are continued, assumed, or replaced under the circumstances described in the preceding sentence in connection with a Change in Control, and if within two years after the Change in Control the Grantee experiences an involuntary termination of Continuous Service for reason other than Cause, then (i) all outstanding unvested Restricted Stock Units awarded to the Grantee under this Agreement shall become immediately fully-vested and non-forfeitable as of the effective date of the Grantee’s termination of Continuous Service, (ii) the subject Shares, cash, or equity interests that are substituted for the subject Shares as a result of the Change in Control and issuable upon settlement of the Restricted Stock Units, shall be distributed to the Grantee immediately following the effective date of the termination of Continuous Service, and (iii) any performance goals applicable to the Restricted Stock Units shall be deemed to have been satisfied at the target level of performance specified in connection with the Award.

(b) **Cash-Out.** In the event of a Change in Control, the Committee may, in its discretion and upon at least ten (10) days’ advance notice to the Grantee, terminate the Restricted Stock Units, in whole or in part, as of the effective time of the Change in Control, in exchange for a payment to the Grantee as provided in this Section 4(b), and the Committee, in its discretion, accelerate the vesting of any outstanding Restricted Stock Units. Upon the termination of any Restricted Stock Units pursuant to the preceding sentence, the Company shall pay to the Grantee, in settlement of such Restricted Stock Units, an amount determined by the Committee in good faith to approximate the value assigned to a Share in the Change in Control transaction.

5. Restrictions. Subject to any exceptions set forth in this Agreement or the Plan, during the Restricted Period and until such time as the Restricted Stock Units are settled in accordance with Section 6, the Restricted Stock Units or the rights relating thereto may not be assigned, alienated, pledged, attached, sold, or otherwise transferred or encumbered by the Grantee. Any attempt to assign, alienate, pledge, attach, sell, or otherwise transfer or encumber the Restricted Stock Units or the rights relating thereto shall be wholly ineffective and, if any such attempt is made, the Restricted Stock Units will be forfeited by the Grantee and all of the Grantee’s rights to such units shall immediately terminate without any payment or consideration by the Company.

6. Rights as Shareholder; Dividend Equivalents.

(a) The Grantee shall not have any rights of a shareholder with respect to the Shares underlying the Restricted Stock Units unless and until the Restricted Stock Units vest and are settled by the issuance of such Shares.

(b) Upon and following the settlement of the Restricted Stock Units, the Grantee shall be the record owner of the Shares underlying the Restricted Stock Units unless and until such Shares are sold or otherwise disposed of, and as record owner shall be entitled to all rights of a shareholder of the Company (including voting rights).

(c) If, prior to the settlement date, the Company declares a cash or stock dividend on the Shares, then, on the payment date of the dividend, the Grantee's Account shall be credited with an amount equal to the dividends that would have been paid to the Grantee if one Share had been issued on the Grant Date for each Restricted Stock Unit granted to the Grantee as set forth in this Agreement ("**Dividend Equivalents**")

(d) The Company shall pay currently (and in no case later than the end of the calendar year in which the dividend is paid to the holders of Shares or, if later, the 15th day of the third month following the date the dividend is paid to holders of Shares), in cash, an amount equal to the Dividend Equivalents with respect to the Grantee's Restricted Stock Units.

7. Settlement of Restricted Stock Units.

(a) Subject to Section 9 hereof, promptly following the Vesting Date, and in any event no later than March 15 of the calendar year following the calendar year in which such vesting occurs, the Company shall issue and deliver to the Grantee the number of Shares equal to the number of Vested Units, and enter the Grantee's name on the books of the Company as the shareholder of record with respect to the Shares delivered to the Grantee; *provided that*, in the sole discretion of the Committee, determined at the time of settlement, a Restricted Stock Unit may be settled in cash based on the Fair Market Value of a Share on the date of vesting.

(b) To the extent that the Grantee does not vest in any Restricted Stock Units, all interest in such Restricted Stock Units shall be forfeited. The Grantee has no right or interest in any Restricted Stock Units that are forfeited.

8. No Right to Continued Service. Neither the Plan nor this Agreement shall confer upon the Grantee any right to be retained in any position, as an Employee, Consultant, or Director of the Company. Further, nothing in the Plan or this Agreement shall be construed to limit the discretion of the Company to terminate the Grantee's Continuous Service at any time, with or without Cause.

9. Adjustments. If any change is made to the outstanding Shares or the capital structure of the Company, if required, the Restricted Stock Units shall be adjusted or terminated in any manner as contemplated by Section 15 of the Plan.

10. Tax Liability and Withholding.

(a) The Grantee shall be required to pay to the Company, and the Company shall have the right to deduct from any compensation paid to the Grantee pursuant to the Plan, the amount of any required withholding taxes in respect of the Restricted Stock Units and to take all such other action as the Committee deems necessary to satisfy all obligations for the payment of such withholding taxes. The Committee may permit the Grantee to satisfy any federal, state, or local tax withholding obligation by any of the following means, or by a combination of such means: (i) tendering a cash payment; or (ii) authorizing the Company to withhold Shares (based on the Fair Market Value of the Shares on the vesting date) from the Shares otherwise issuable or deliverable to the Grantee as a result of the vesting of the Restricted Stock Units in an amount up to the Grantee's highest marginal tax rate.

(b) Notwithstanding any action the Company takes with respect to any or all income tax, social insurance, payroll tax, or other tax-related withholding (“**Tax-Related Items**”), the ultimate liability for all Tax-Related Items is and remains the Grantee’s responsibility and the Company (i) makes no representation or undertakings regarding the treatment of any Tax-Related Items in connection with the grant, vesting, or settlement of the Restricted Stock Units or the subsequent sale of any Shares; and (ii) does not commit to structure the Restricted Stock Units to reduce or eliminate the Grantee’s liability for Tax-Related Items.

11. **Compliance with Law.** The issuance and transfer of Shares shall be subject to compliance by the Company and the Grantee with all applicable requirements of federal and state securities laws and with all applicable requirements of any stock exchange on which the Company’s Shares may be listed. No Shares shall be issued or transferred unless and until any then applicable requirements of state and federal laws and regulatory agencies have been fully complied with to the satisfaction of the Company and its counsel. The Grantee understands that the Company is under no obligation to register the Shares with the Securities and Exchange Commission, any state securities commission or any stock exchange to effect such compliance.

12. **Notices.** Any notice required to be delivered to the Company under this Agreement shall be in writing and addressed to the Corporate Secretary of the Company at the Company’s principal corporate offices. Any notice required to be delivered to the Grantee under this Agreement shall be in writing and addressed to the Grantee at the Grantee’s address as shown in the records of the Company. Either party may designate another address in writing (or by such other method approved by the Company) from time to time.

13. **Governing Law.** This Agreement will be construed and interpreted in accordance with the laws of the State of Indiana without regard to conflict of law principles.

14. **Clawback.** In accordance with Section 24(f) of the Plan, by accepting the Award of Restricted Stock Units, the Grantee acknowledges that the Grantee is fully bound by, and subject to all of the terms and conditions of, the Clawback Policy, and the Grantee agrees to abide by the terms of the Clawback Policy. To the extent that the Board determines that all or a portion of the Award of Restricted Stock Units must be cancelled, forfeited, repaid, or otherwise recovered by the Company, the Grantee shall promptly take whatever action is necessary to effectuate such cancellation, forfeiture, repayment, or recovery. No recovery of all or a portion of the Restricted Stock Units under the Clawback Policy will be an event giving rise to a right to terminate for “good reason” under any agreement with the Company (as such term may be defined under any such agreement). In the event of any conflicts between the terms of the Clawback Policy and the terms of the Plan or this Agreement, the terms of the Clawback Policy shall govern.

15. **Interpretation.** Any dispute regarding the interpretation of this Agreement shall be submitted by the Grantee or the Company to the Committee for review. The resolution of such dispute by the Committee shall be final and binding on the Grantee and the Company.

16. **Restricted Stock Units Subject to Plan.** This Agreement is subject to the Plan as approved by the Company’s shareholders. The terms and provisions of the Plan as it may be amended from time to time are hereby incorporated herein by reference. In the event of a conflict between any term or provision contained herein and a term or provision of the Plan, the applicable terms and provisions of the Plan will govern and prevail.

17. **Successors and Assigns.** The Company may assign any of its rights under this Agreement. This Agreement will be binding upon and inure to the benefit of the successors and assigns of the Company. Subject to the restrictions on transfer set forth herein, this Agreement will be binding upon the Grantee and the Grantee’s beneficiaries, executors, administrators, and the person(s) to whom the Restricted Stock Units may be transferred by will or the laws of descent or distribution.

18. **Severability.** The invalidity or unenforceability of any provision of the Plan or this Agreement shall not affect the validity or enforceability of any other provision of the Plan or this Agreement, and each provision of the Plan and this Agreement shall be severable and enforceable to the extent permitted by law.

19. **Discretionary Nature of Plan.** The Plan is discretionary and may be amended, cancelled, or terminated by the Company at any time, in its discretion, in accordance with the terms of the Plan. The Award of the Restricted Stock Units in this Agreement does not create any contractual right or other right to receive any Restricted Stock Units or other Awards in the future. Future Awards, if any, will be at the sole discretion of the Company. Any amendment, modification, or termination of the Plan shall not constitute a change or impairment of the terms and conditions of the Grantee's employment with the Company.

20. **Amendment.** The Committee has the right to amend, alter, suspend, discontinue, or cancel the Restricted Stock Units, prospectively or retroactively; *provided that*, no such amendment shall adversely affect the Grantee's material rights under this Agreement without the Grantee's consent.

21. **Section 409A.** This Agreement is intended to comply with Section 409A of the Code or an exemption thereunder and shall be construed and interpreted in a manner that is consistent with the requirements for avoiding additional taxes or penalties under Section 409A of the Code. Notwithstanding the foregoing, the Company makes no representations that the payments and benefits provided under this Agreement comply with Section 409A of the Code and in no event shall the Company be liable for all or any portion of any taxes, penalties, interest, or other expenses that may be incurred by the Grantee on account of non-compliance with Section 409A of the Code.

22. **No Impact on Other Benefits.** The value of the Grantee's Restricted Stock Units is not part of the Grantee's normal or expected compensation for purposes of calculating any severance, retirement, welfare, insurance, or similar employee benefit.

23. **Counterparts.** This Agreement may be executed in counterparts, each of which shall be deemed an original but all of which together will constitute one and the same instrument. Counterpart signature pages to this Agreement transmitted by facsimile transmission, by electronic mail in portable document format (.pdf), or by any other electronic means intended to preserve the original graphic and pictorial appearance of a document, will have the same effect as physical delivery of the paper document bearing an original signature.

24. **Acceptance.** The Grantee hereby acknowledges receipt of a copy of the Plan and this Agreement. The Grantee has read and understands the terms and provisions thereof, and accepts the Restricted Stock Units subject to all of the terms and conditions of the Plan and this Agreement. The Grantee acknowledges that there may be adverse tax consequences upon the grant or vesting of the Restricted Stock Units or disposition of the underlying Shares and that the Grantee has been advised to consult a tax advisor prior to such grant, vesting, or disposition.

[Signature Page Follows]

IN WITNESS WHEREOF, the Company, by its officer thereunder duly authorized, and the Grantee, have caused this Award Agreement to be executed as of the day and year first above written.

FINWARD BANCORP

By: _____
Signature

Printed

Title:

GRANTEE

By: _____
Signature

Printed

Job Title

VESTING SCHEDULE

Subject to the provisions of the Plan and the Agreement to which this Appendix A is attached, the Restricted Stock Units shall vest in accordance with the following schedule:

<u>Date of Vesting/Conditions to Vesting</u>	<u>Percent Vested</u>	<u>Cumulative Vesting</u>
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2025 Omnibus Equity Incentive Plan

**AWARD AGREEMENT
PERFORMANCE SHARES**

This Performance Share Award Agreement (this “**Agreement**”) is made and entered into as of ____, 20__ by and between Finward Bancorp, an Indiana corporation (the “**Company**”) and ____ (the “**Grantee**”).

Grant Date: _____

Number of Performance Shares: _____

Vesting Date: _____

WHEREAS, the Company has adopted the Finward Bancorp 2025 Omnibus Equity Incentive Plan (the “**Plan**”) pursuant to which Performance Shares may be granted; and

WHEREAS, the Committee has determined that it is in the best interests of the Company and its shareholders to grant the Performance Shares provided for herein.

NOW, THEREFORE, the parties hereto, intending to be legally bound, agree as follows:

1. **Grant of Performance Shares.** Pursuant to Section 12 of the Plan, the Company hereby issues to the Grantee on the Grant Date a Performance Share Award consisting of, in the aggregate, ____ shares of Common Stock, without par value (“**Shares**”), of the Company (the “**Performance Shares**”), on the terms and conditions and subject to the restrictions set forth in this Agreement and the Plan. The number of Performance Shares that the Grantee actually earns for the Performance Period will be determined based on the level of achievement of the performance goal(s) (the “**Performance Goals**”) set forth in the Vesting Schedule attached hereto as Appendix A, with ____ Performance Shares to be earned if target performance levels are achieved (the “**Target Award**”). Capitalized terms that are used but not defined herein have the meanings ascribed to them in the Plan.

2. **Performance Period.** For purposes of this Agreement, the term “**Performance Period**” shall be the period commencing on ____, 20__ and ending on ____, 20__.

3. **Performance Goal(s).**

(a) The number of Performance Shares earned by the Grantee for the Performance Period will be determined at the end of the Performance Period based on the level of achievement of the Performance Goal(s) in accordance with Appendix A. All determinations of whether the Performance Goal(s) have been achieved, the number of Performance Shares earned by the Grantee, and all other matters related to this Section 3 shall be made by the Committee in its sole discretion.

(b) Promptly following completion of the Performance Period (and no later than thirty (30) days following the end of the Performance Period), the Committee will review and certify in writing (i) whether, and to what extent, the Performance Goal(s) for the Performance Period have been achieved, and (ii) the number of Performance Shares that the Grantee shall earn, if any, subject to the requirements of Section 4. Such certification shall be final, conclusive, and binding on the Grantee, and on all other persons, to the maximum extent permitted by law.

4. Vesting of Performance Shares.

(a) Subject to any exceptions set forth in this Agreement or the Plan, until the Performance Shares vest, the Performance Shares or the rights relating thereto may not be assigned, alienated, pledged, attached, sold, or otherwise transferred or encumbered by the Grantee. Any attempt to assign, alienate, pledge, attach, sell, or otherwise transfer or encumber the Performance Shares or the rights relating thereto prior to the Vesting Date (as defined below) shall be wholly ineffective and, if any such attempt is made, the Performance Shares will be forfeited by the Grantee and all of the Grantee's rights to such shares shall immediately terminate without any payment or consideration by the Company.

(b) The Performance Shares are subject to forfeiture until they vest. Except as otherwise provided herein, the Performance Shares will vest and become nonforfeitable, if at all, on the date the Committee certifies the achievement of the Performance Goal(s) in accordance with Section 3(b) (the "**Vesting Date**"). The number of Performance Shares that vest and become nonforfeitable under this Agreement shall be determined by the Committee based on the level of achievement of the Performance Goal(s) set forth in Appendix A and shall be rounded to the nearest whole Performance Share. Performance Shares that have not vested by the Vesting Date in accordance with this Section 4(b) shall be forfeited.

5. Termination of Continuous Service.

(a) Except as otherwise expressly provided in this Agreement, if the Grantee's Continuous Service terminates for any reason at any time prior to the Vesting Date, the Grantee's unvested Performance Shares shall be automatically forfeited upon such termination of Continuous Service and neither the Company nor any Affiliate shall have any further obligations to the Grantee under this Agreement.

(b) Notwithstanding Section 5(a), if the Grantee's Continuous Service terminates prior to the Vesting Date as a result of the Grantee's death or Disability, the Grantee will vest on such date in a pro rata portion of the Target Award calculated by multiplying the Target Award by a fraction, the numerator of which equals the number of days that the Grantee was employed during the Performance Period and the denominator of which equals the total number of days in the Performance Period.

6. Change in Control.

(a) **Acceleration of Vesting.** In the event of a Change in Control, the surviving or successor entity (or its parent corporation) may continue, assume, or replace the Performance Shares outstanding as of the date of the Change in Control and such Performance Shares or replacement therefore shall remain outstanding and be governed by their terms. If and to the extent that the Performance Shares are continued, assumed, or replaced under the circumstances described in the preceding sentence in connection with a Change in Control, and if within two years after the Change in Control the Grantee experiences an involuntary termination of Continuous Service for reason other than Cause, then (i) all outstanding unvested Performance Shares awarded to the Grantee under this Agreement shall become immediately fully-vested and non-forfeitable as of the effective date of the Grantee's termination of Continuous Service, (ii) the subject Performance Shares, cash, or equity interests that are substituted for the subject Performance Shares as a result of the Change in Control shall be distributed to the Grantee immediately following the effective date of the termination of Continuous Service, and (iii) any performance goals applicable to the Performance Shares shall be deemed to have been satisfied at the target level of performance specified in connection with the Award.

(b) **Cash-Out.** In the event of a Change in Control, the Committee may, in its discretion and upon at least ten (10) days' advance notice to the Grantee, terminate the Performance Shares, in whole or in part, as of the effective time of the Change in Control, in exchange for a payment to the Grantee as provided in this Section 6(b), and the Committee, in its discretion, accelerate the vesting of any outstanding Performance Shares. Upon the termination of any Performance Shares pursuant to the preceding sentence, the Company shall pay to the Grantee, in settlement of such Performance Shares, an amount determined by the Committee in good faith to approximate the value assigned to a Share in the Change in Control transaction.

7. Rights as Shareholder; Dividend Equivalents.

(a) The Grantee shall be the record owner of the Performance Shares until the Shares are sold or otherwise disposed of, and shall be entitled to all of the rights of a shareholder of the Company including, without limitation, the right to vote such shares. During the period ending on the day immediately prior to the Vesting Date, the Grantee shall be credited with an amount equal to the dividends that would have been paid to the Grantee if one Share had been issued on the Grant Date for each Performance Share granted to the Grantee as set forth in this Agreement ("**Dividend Equivalents**") in the form of a right to a cash payment when cash dividends are paid on the Shares. Any cash amounts credited to the Grantee's account shall vest (or be forfeited) at the same time and on the same conditions as the Performance Shares to which they relate and be paid to the Grantee on the Vesting Date (or within thirty (30) days following the Vesting Date).

(b) The Company may issue stock certificates or evidence the Grantee's interest by using a restricted book entry account with the Company's transfer agent.

(c) If the Grantee forfeits any rights they have under this Agreement in accordance with Section 4, the Grantee shall, on the date of such forfeiture, no longer have any rights as a shareholder with respect to the Performance Shares and shall no longer be entitled to vote or receive dividends or Dividend Equivalents on such shares.

8. No Right to Continued Service. Neither the Plan nor this Agreement shall confer upon the Grantee any right to be retained in any position, as an Employee, Consultant, or Director of the Company. Further, nothing in the Plan or this Agreement shall be construed to limit the discretion of the Company to terminate the Grantee's Continuous Service at any time, with or without Cause.

9. Adjustments. If any change is made to the outstanding Shares or the capital structure of the Company, if required, the Performance Shares shall be adjusted or terminated in any manner as contemplated by Section 15 of the Plan.

10. Tax Liability and Withholding.

(a) The Grantee shall be required to pay to the Company, and the Company shall have the right to deduct from any compensation paid to the Grantee pursuant to the Plan, the amount of any required withholding taxes in respect of the Performance Shares and to take all such other action as the Committee deems necessary to satisfy all obligations for the payment of such withholding taxes. The Committee may permit the Grantee to satisfy any federal, state, or local tax withholding obligation by any of the following means, or by a combination of such means: (i) tendering a cash payment; or (ii) authorizing the Company to withhold Shares (based on the Fair Market Value of the Shares on the vesting date) from the Shares otherwise issuable or deliverable to the Grantee as a result of the vesting of the Performance Shares in an amount up to the Grantee's highest marginal tax rate.

(b) Notwithstanding any action the Company takes with respect to any or all income tax, social insurance, payroll tax, or other tax-related withholding (“**Tax-Related Items**”), the ultimate liability for all Tax-Related Items is and remains the Grantee’s responsibility and the Company (i) makes no representation or undertakings regarding the treatment of any Tax-Related Items in connection with the grant or vesting of the Performance Shares or the subsequent sale of any Shares; and (ii) does not commit to structure the Performance Shares to reduce or eliminate the Grantee’s liability for Tax-Related Items.

11. **Section 83(b) Election.** The Grantee may make an election under Code Section 83(b) (a “**Section 83(b) Election**”) with respect to the Performance Shares. Any such election must be made within thirty (30) days after the Grant Date. If the Grantee elects to make a Section 83(b) Election, the Grantee shall provide the Company with a copy of an executed version and satisfactory evidence of the filing of the executed Section 83(b) Election with the Internal Revenue Service. The Grantee agrees to assume full responsibility for ensuring that the Section 83(b) Election is actually and timely filed with the Internal Revenue Service and for all tax consequences resulting from the Section 83(b) Election.

12. **Compliance with Law.** The issuance and transfer of Shares shall be subject to compliance by the Company and the Grantee with all applicable requirements of federal and state securities laws and with all applicable requirements of any stock exchange on which the Company’s Shares may be listed. No Shares shall be issued or transferred unless and until any then applicable requirements of state and federal laws and regulatory agencies have been fully complied with to the satisfaction of the Company and its counsel. The Grantee understands that the Company is under no obligation to register the Shares with the Securities and Exchange Commission, any state securities commission or any stock exchange to effect such compliance.

13. **Clawback.** In accordance with Section 24(f) of the Plan, by accepting the Award of Performance Shares, the Grantee acknowledges that the Grantee is fully bound by, and subject to all of the terms and conditions of, the Clawback Policy, and the Grantee agrees to abide by the terms of the Clawback Policy. To the extent that the Board determines that all or a portion of the Award of Performance Shares must be cancelled, forfeited, repaid, or otherwise recovered by the Company, the Grantee shall promptly take whatever action is necessary to effectuate such cancellation, forfeiture, repayment, or recovery. No recovery of all or a portion of the Performance Shares under the Clawback Policy will be an event giving rise to a right to terminate for “good reason” under any agreement with the Company (as such term may be defined under any such agreement). In the event of any conflicts between the terms of the Clawback Policy and the terms of the Plan or this Agreement, the terms of the Clawback Policy shall govern.

14. **Legends.** A legend may be placed on any certificate(s) or other document(s) delivered to the Grantee indicating restrictions on transferability of the Performance Shares pursuant to this Agreement or any other restrictions that the Committee may deem advisable under the rules, regulations, and other requirements of the Securities and Exchange Commission, any applicable federal or state securities laws, or any stock exchange on which the Shares are then listed or quoted.

15. **Notices.** Any notice required to be delivered to the Company under this Agreement shall be in writing and addressed to the Corporate Secretary of the Company at the Company’s principal corporate offices. Any notice required to be delivered to the Grantee under this Agreement shall be in writing and addressed to the Grantee at the Grantee’s address as shown in the records of the Company. Either party may designate another address in writing (or by such other method approved by the Company) from time to time.

16. **Governing Law.** This Agreement will be construed and interpreted in accordance with the laws of the State of Indiana without regard to conflict of law principles.

17. **Interpretation.** Any dispute regarding the interpretation of this Agreement shall be submitted by the Grantee or the Company to the Committee for review. The resolution of such dispute by the Committee shall be final and binding on the Grantee and the Company.

18. **Performance Shares Subject to Plan.** This Agreement is subject to the Plan as approved by the Company's shareholders. The terms and provisions of the Plan as it may be amended from time to time are hereby incorporated herein by reference. In the event of a conflict between any term or provision contained herein and a term or provision of the Plan, the applicable terms and provisions of the Plan will govern and prevail.

19. **Successors and Assigns.** The Company may assign any of its rights under this Agreement. This Agreement will be binding upon and inure to the benefit of the successors and assigns of the Company. Subject to the restrictions on transfer set forth herein, this Agreement will be binding upon the Grantee and the Grantee's beneficiaries, executors, administrators, and the person(s) to whom the Performance Shares may be transferred by will or the laws of descent or distribution.

20. **Severability.** The invalidity or unenforceability of any provision of the Plan or this Agreement shall not affect the validity or enforceability of any other provision of the Plan or this Agreement, and each provision of the Plan and this Agreement shall be severable and enforceable to the extent permitted by law.

21. **Discretionary Nature of Plan.** The Plan is discretionary and may be amended, cancelled, or terminated by the Company at any time, in its discretion, in accordance with the terms of the Plan. The grant of the Performance Shares in this Agreement does not create any contractual right or other right to receive any Performance Shares or other Awards in the future. Future Awards, if any, will be at the sole discretion of the Company. Any amendment, modification, or termination of the Plan shall not constitute a change or impairment of the terms and conditions of the Grantee's employment with the Company.

22. **Amendment.** The Committee has the right to amend, alter, suspend, discontinue, or cancel the Performance Shares, prospectively or retroactively; *provided that*, no such amendment shall adversely affect the Grantee's material rights under this Agreement without the Grantee's consent.

23. **No Impact on Other Benefits.** The value of the Grantee's Performance Share Award is not part of the Grantee's normal or expected compensation for purposes of calculating any severance, retirement, welfare, insurance, or similar employee benefit.

24. **Counterparts.** This Agreement may be executed in counterparts, each of which shall be deemed an original but all of which together will constitute one and the same instrument. Counterpart signature pages to this Agreement transmitted by facsimile transmission, by electronic mail in portable document format (.pdf), or by any other electronic means intended to preserve the original graphic and pictorial appearance of a document, will have the same effect as physical delivery of the paper document bearing an original signature.

25. **Acceptance.** The Grantee hereby acknowledges receipt of a copy of the Plan, this Agreement, and the Clawback Policy. The Grantee has read and understands the terms and provisions thereof, and accepts the Performance Shares subject to all of the terms and conditions of the Plan, this Agreement, and the Clawback Policy. The Grantee acknowledges that there may be adverse tax consequences upon the grant or vesting of the Performance Shares or disposition of the underlying shares and that the Grantee has been advised to consult a tax advisor prior to such grant, vesting, or disposition.

[Signature Page Follows]

IN WITNESS WHEREOF, the Company, by its officer thereunder duly authorized, and the Grantee, have caused this Award Agreement to be executed as of the day and year first above written.

FINWARD BANCORP

By: _____
Signature

Printed

Title:

GRANTEE

By: _____
Signature

Printed

Job Title

VESTING SCHEDULE

Subject to the provisions of the Plan and the Agreement to which this Appendix A is attached, the Performance Shares shall vest in accordance with the following schedule:

<u>Date of Vesting/Conditions to Vesting</u>	<u>Percent Vested</u>	<u>Cumulative Vesting</u>
	7	



2025 Omnibus Equity Incentive Plan

**AWARD AGREEMENT
STOCK APPRECIATION RIGHTS**

This Stock Appreciation Rights Award Agreement (this “**Agreement**”) is made and entered into as of ____, 20__ by and between Finward Bancorp, an Indiana corporation (the “**Company**”) and ____ (the “**Participant**”).

Grant Date: _____

Exercise Price per SAR: _____

Number of SARs: _____

Expiration Date: _____

1. Grant of SARs.

(a) **Grant.** The Company hereby grants to the Participant an aggregate of ____ stock appreciation rights (the “**SARs**”). Each SAR entitles the Participant to receive, upon exercise, an amount equal to the excess of (i) the Fair Market Value of a share of Common Stock, without par value (a “**Share**”), of the Company on the date of exercise, over (ii) the Exercise Price (the “**Appreciation Value**”). The SARs are being granted pursuant to the terms of the Finward Bancorp 2025 Omnibus Equity Incentive Plan (the “**Plan**”).

(b) **Consideration; Subject to Plan.** The grant of the SARs is made in consideration of the services to be rendered by the Participant to the Company and is subject to the terms and conditions of the Plan. Capitalized terms used but not defined herein will have the meaning ascribed to them in the Plan.

2. Vesting.

(a) **Vesting Schedule.** The SARs will vest and become exercisable as set forth in the Vesting Schedule attached hereto as Appendix A. Except as otherwise provided in this Agreement, the unvested SARs will not be exercisable on or after the Participant’s termination of Continuous Service.

(b) **Expiration.** The SARs will expire on the Expiration Date set forth above, or earlier as provided in this Agreement or the Plan.

3. Termination of Continuous Service.

(a) **Termination for Reasons Other Than Cause, Death, Disability.** If the Participant’s Continuous Service is terminated for any reason other than Cause, death, Disability, or Retirement, the Participant may exercise the vested SARs, but only within such period of time ending on the earlier of (i) the date three months following the termination of the Participant’s Continuous Service, or (ii) the Expiration Date.

(b) **Termination for Cause.** If the Participant’s Continuous Service is terminated for Cause, the SARs (whether vested or unvested) shall immediately terminate and cease to be exercisable.

(c) **Termination Due to Disability or Retirement.** If the Participant’s Continuous Service terminates as a result of the Participant’s Disability or Retirement, the Participant may exercise the vested SARs, but only within such period of time ending on the Expiration Date.

(d) **Termination Due to Death.** If the Participant's Continuous Service terminates as a result of the Participant's death, the vested SARs may be exercised by the Participant's estate, by a person who acquired the right to exercise the SARs by bequest or inheritance, or by the person designated to exercise the SARs upon the Participant's death, but only within the time period ending on the Expiration Date.

(e) **Extension of Termination Date.** If following the Participant's termination of Continuous Service for any reason the exercise of the SARs is prohibited because the exercise of the SARs would violate the registration requirements under the Securities Act or any other state or federal securities law or the rules of any securities exchange or interdealer quotation system, then the expiration of the SARs shall be tolled until the date that is thirty (30) days after the end of the period during which the exercise of the SARs would be in violation of such registration or other securities requirements.

4. Manner of Exercise.

(a) **When to Exercise.** Except as otherwise provided in the Plan or this Agreement, the Participant (or in the case of exercise after the Participant's death or Disability, the Participant's executor, administrator, heir, or legatee, as the case may be) may exercise his or her vested SARs, in whole or in part, at any time after vesting and until the Expiration Date or earlier termination pursuant to Section 3 hereof, by following the procedures set forth in this Section 4. If partially exercised, the Participant may exercise the remaining unexercised portion of the SARs at any time after vesting and until the Expiration Date or earlier termination pursuant to Section 3 hereof. No SARs shall be exercisable after the Expiration Date.

(b) **Election to Exercise.** To exercise the SARs, the Participant (or in the case of exercise after the Participant's death or Disability, the Participant's executor, administrator, heir, or legatee, as the case may be) must deliver to the Company a written notice of intent to exercise in the manner designated by the Committee, which shall set forth, *inter alia*: (i) the Participant's election to exercise the SARs; (ii) any representations, warranties, and agreements regarding the exercise of the SARs as may be required by the Company to comply with applicable securities laws.

(c) **Documentation of Right to Exercise.** If someone other than the Participant exercises the SARs, then such person must submit documentation reasonably acceptable to the Company verifying that such person has the legal right to exercise the SARs.

(d) **Date of Exercise.** The SARs shall be deemed to be exercised on the business day that the Company receives a fully executed exercise notice. If the notice is received after business hours on such date, then the SAR shall be deemed to be exercised on the business date immediately following the business date such notice is received by the Company.

5. **Withholding.** Prior to the payment of the Appreciation Value in connection with the exercise of the SARs, the Participant must make arrangements satisfactory to the Company to pay or provide for any applicable federal, state, and local withholding obligations of the Company. If approved by the Committee in its discretion, the required withholding obligations may be settled by the delivery to the Company of previously owned and unencumbered Shares.

6. **Form of Payment.** Upon the exercise of all or a portion of the SARs, the Participant shall be entitled to a cash payment equal to the Appreciation Value of the SARs being exercised, less any amounts withheld pursuant to Section 5.

7. **Section 409A; No Deferral of Compensation.** Neither the Plan nor this Agreement is intended to provide for the deferral of compensation within the meaning of Section 409A of the Internal Revenue Code (the "**Code**"). The Company reserves the right to unilaterally amend or modify the Plan or this Agreement, to the extent the Company considers it necessary or advisable, in its sole discretion, to comply with, or to ensure that the SARs granted hereunder are not subject to, Section 409A of the Code.

8. **No Right to Continued Employment.** Neither the Plan nor this Agreement shall confer upon the Participant any right to be retained in any position, as an Employee, Consultant, or Director of the Company. Further, nothing in the Plan or this Agreement shall be construed to limit the discretion of the Company to terminate the Participant's Continuous Service at any time, with or without Cause.

9. **Transferability.** The SARs are not transferable by the Participant other than to a designated beneficiary upon the Participant's death or by will or the laws of descent and distribution, and are exercisable during the Participant's lifetime only by the Participant (except by the Participant's personal representative, if any, in the case of the Participant's Disability). No assignment or transfer of the SARs, or the rights represented thereby, whether voluntary or involuntary, by operation of law or otherwise (except to a designated beneficiary upon death by will or the laws of descent or distribution) will vest in the assignee or transferee any interest or right herein whatsoever, but immediately upon such assignment or transfer the SARs will terminate and become of no further effect.

10. **Change in Control.**

(a) **Acceleration of Vesting.** In the event of a Change in Control, the surviving or successor entity (or its parent corporation) may continue, assume, or replace the SARs outstanding as of the date of the Change in Control and such SARs or replacements therefore shall remain outstanding and be governed by their respective terms. If and to the extent that the SARs are continued, assumed, or replaced under the circumstances described in the preceding sentence in connection with a Change in Control, and if within two years after the Change in Control the Participant experiences an involuntary termination of Continuous Service for reason other than Cause, then all outstanding SARs issued to the Participant under this Agreement that are not yet fully exercisable shall immediately become exercisable in full as of the effective date of the Participant's termination of Continuous Service and shall remain exercisable in accordance with the terms of the Plan and this Agreement.

(b) **Cash-Out.** In the event of a Change in Control, the Committee may, in its discretion and upon at least ten (10) days' advance notice to the Participant, terminate the SARs, in whole or in part, as of the effective time of the Change in Control, in exchange for a payment to the Participant as provided in this Section 10(b), and the Committee, in its discretion, accelerate the vesting of any outstanding SARs. Upon the termination of any SARs pursuant to the preceding sentence, the Company shall pay to the Participant, in cash or Shares, as determined by the Committee in good faith, an amount equal to the excess of the amount by which the fair market value (as determined in good faith by the Committee) of the consideration that would otherwise be received in the Change in Control for the number of SARs or portion thereof being terminated exceeds the Exercise Price. In addition, in connection with a Change in Control, the Committee may, in its discretion, after giving the Participant an opportunity to exercise the Participant's outstanding SARs, terminate any or all unexercised SARs at such time as the Committee deems appropriate. Notwithstanding the foregoing, if at the time of a Change in Control the Exercise Price of the SARs equals or exceeds the price paid for a Share in connection with the Change in Control, the Committee may cancel the SARs without the payment of consideration therefor.

11. **Adjustments.** The SARs may be adjusted or terminated in any manner as contemplated by Section 15 of the Plan.

12. **Tax Liability and Withholding.** Notwithstanding any action the Company takes with respect to any or all income tax, social insurance, payroll tax, or other tax-related withholding ("**Tax-Related Items**"), the ultimate liability for all Tax-Related Items is and remains the Participant's responsibility and the Company (a) makes no representation or undertakings regarding the treatment of any Tax-Related Items in connection with the grant, vesting, or exercise of the SARs; and (b) does not commit to structure the SARs to reduce or eliminate the Participant's liability for Tax-Related Items.

13. **Compliance with Law.** The exercise of the SARs shall be subject to compliance by the Company and the Participant with all applicable laws, including the requirements of any stock exchange on which the Company's Shares may be listed. The Participant may not exercise the SARs if such exercise would violate any applicable federal or state securities laws or other laws or regulations. The Participant understands that the Company is under no obligation to register the Shares with the Securities and Exchange Commission, any state securities commission, or any stock exchange to effect such compliance.

14. **Notices.** Any notice required to be delivered to the Company under this Agreement shall be in writing and addressed to the Corporate Secretary of the Company at the Company's principal corporate offices. Any notice required to be delivered to the Participant under this Agreement shall be in writing and addressed to the Participant at the Participant's address as shown in the records of the Company. Either party may designate another address in writing (or by such other method approved by the Company) from time to time.

15. **Governing Law.** This Agreement will be construed and interpreted in accordance with the laws of the State of Indiana without regard to conflict of law principles.

16. **Clawback.** In accordance with Section 24(f) of the Plan, by accepting the SARs, the Participant acknowledges that the Participant is fully bound by, and subject to all of the terms and conditions of, the Clawback Policy, and the Participant agrees to abide by the terms of the Clawback Policy. To the extent that the Board determines that all or a portion of the SARs must be cancelled, forfeited, repaid, or otherwise recovered by the Company, the Participant shall promptly take whatever action is necessary to effectuate such cancellation, forfeiture, repayment, or recovery. No recovery of all or a portion of the SARs under the Clawback Policy will be an event giving rise to a right to terminate for "good reason" under any agreement with the Company (as such term may be defined under any such agreement). In the event of any conflicts between the terms of the Clawback Policy and the terms of the Plan or this Agreement, the terms of the Clawback Policy shall govern.

17. **Interpretation.** Any dispute regarding the interpretation of this Agreement shall be submitted by the Participant or the Company to the Committee for review. The resolution of such dispute by the Committee shall be final and binding on the Participant and the Company.

18. **SARs Subject to Plan.** This Agreement is subject to the Plan as approved by the Company's shareholders. The terms and provisions of the Plan as it may be amended from time to time are hereby incorporated herein by reference. In the event of a conflict between any term or provision contained herein and a term or provision of the Plan, the applicable terms and provisions of the Plan will govern and prevail.

19. **Successors and Assigns.** The Company may assign any of its rights under this Agreement. This Agreement will be binding upon and inure to the benefit of the successors and assigns of the Company. Subject to the restrictions on transfer set forth herein, this Agreement will be binding upon the Participant and the Participant's beneficiaries, executors, administrators, and the person(s) to whom the SARs may be transferred by will or the laws of descent or distribution.

20. **Severability.** The invalidity or unenforceability of any provision of the Plan or this Agreement shall not affect the validity or enforceability of any other provision of the Plan or this Agreement, and each provision of the Plan and this Agreement shall be severable and enforceable to the extent permitted by law.

21. **Discretionary Nature of Plan.** The Plan is discretionary and may be amended, cancelled or terminated by the Company at any time, in its discretion, in accordance with the terms of the Plan. The grant of the SARs in this Agreement does not create any contractual right or other right to receive any SARs or other Awards in the future. Future Awards, if any, will be at the sole discretion of the Company. Any amendment, modification, or termination of the Plan shall not constitute a change or impairment of the terms and conditions of the Participant's employment with the Company.

22. **Amendment.** The Committee has the right to amend, alter, suspend, discontinue, or cancel the SARs, prospectively or retroactively *provided that*, no such amendment shall adversely affect the Participant's material rights under this Agreement without the Participant's consent.

23. **No Impact on Other Benefits.** The value of the Participant's SARs is not part of his or her normal or expected compensation for purposes of calculating any severance, retirement, welfare, insurance or similar employee benefit.

24. **Counterparts.** This Agreement may be executed in counterparts, each of which shall be deemed an original but all of which together will constitute one and the same instrument. Counterpart signature pages to this Agreement transmitted by electronic mail in portable document format (.pdf), or by any other electronic means intended to preserve the original graphic and pictorial appearance of a document, will have the same effect as physical delivery of the paper document bearing an original signature.

25. **Acceptance.** The Participant hereby acknowledges receipt of a copy of the Plan and this Agreement. The Participant has read and understands the terms and provisions thereof, and accepts the SARs subject to all of the terms and conditions of the Plan and this Agreement. The Participant acknowledges that there may be adverse tax consequences upon exercise of the SARs and that the Participant should consult a tax advisor prior to such exercise.

[Signature Page Follows]

IN WITNESS WHEREOF, the Company, by its officer thereunder duly authorized, and the Participant, have caused this Award Agreement to be executed as of the day and year first above written.

FINWARD BANCORP

By: _____
Signature

Printed

Title:

PARTICIPANT

By: _____
Signature

Printed

Job Title

VESTING SCHEDULE

Subject to the provisions of the Plan and the Agreement to which this Appendix A is attached, the SARs shall vest and be exercisable by the Participant in accordance with the following schedule:

<u>Date of Vesting/Conditions to Vesting</u>	<u>Percent Vested</u>	<u>Cumulative Vesting</u>
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