

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 3, 2021**

NorthWest Indiana Bancorp

(Exact name of registrant as specified in its charter)

Indiana
(State or other jurisdiction of
incorporation)

000-26128
(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: **None.**

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
N/A	N/A	N/A

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.

On May 3, 2021, NorthWest Indiana Bancorp (the "Bancorp") and its bank subsidiary, Peoples Bank (the "Bank"), entered into amendments to (i) the Amended and Restated Employment Agreement effective as of April 28, 2016 with Mr. David A. Bochnowski, the Executive Chairman of the Board of Directors of the Bancorp and the Bank, which was amended by a First Amendment to Amended and Restated Employment Agreement dated April 28, 2021, and (ii) the Employment Agreement dated August 1, 2017 with Mr. Benjamin J. Bochnowski, the President and Chief Executive Officer of the Bancorp and the Bank, which was amended pursuant to a First Amendment to Employment Agreement dated July 27, 2018 and a Second Amendment to Employment Agreement dated March 15, 2021. Each amendment became effective upon signing. Following is a description of the material terms of the amendments to the foregoing employment agreements.

Second Amendment to Amended and Restated Employment Agreement with David A. Bochnowski

The Second Amendment dated May 3, 2021 to David Bochnowski's Amended and Restated Employment Agreement (the "Second Amendment") reflects the following amendments:

- The Second Amendment amends the definition of "Good Reason" in Section 8(e) of the employment agreement to eliminate as a "Good Reason" triggering event the resignation by David Bochnowski for any reason during the one-year period immediately after a Change of Control (as defined in the employment agreement). This eliminates what is often referred to as a "modified single trigger" change in control severance provision that was previously present in the employment agreement. In addition, the Second Amendment also adds a provision to the "Good Reason" definition stating that the expiration of the term of the employment agreement, or a failure to enter into a renewal term, will not constitute "Good Reason." The Second Amendment also makes corresponding changes to the language in the severance provisions of the employment agreement to reflect the elimination of the modified single trigger provision.
 - The prior provisions of Section 10 of the employment agreement provided that, among other things, David Bochnowski would be entitled to certain tax gross-up payments in connection with any severance payments made to Mr. Bochnowski upon a Change of Control. The Second Amendment eliminates these tax gross-up payment provisions. The amendment also adds a provision that the payments or benefits to be made to Mr. Bochnowski under the agreement, when aggregated with any other "parachute payments" under Section 280G of the Internal Revenue Code (the "Code"), that becomes payable or accelerated due to a Change of Control will be reduced to the highest amount permissible under Sections 280G and 4999 of the Code. This provision is often referred to as a "280G cap."
 - The Second Amendment amends Section 9(c) of the employment agreement to now provide that the severance benefits payable to David Bochnowski upon a discharge without Cause (as defined in the employment agreement) or a resignation with Good Reason are contingent upon Mr. Bochnowski executing a general release and waiver of claims in a form and substance acceptable to the Bancorp.
 - The Second Amendment amends Section 9(e) of the employment agreement to now provide that the severance payment to Mr. Bochnowski applicable upon a discharge without Cause or a resignation with Good Reason in connection with a Change of Control as it relates to his annual bonus under Sections 9(c)(i) and (iii) of the agreement will be the most recent annual bonus received by Mr. Bochnowski prior to the Change of Control, and the benefits continuation provision in Section 9(c)(iv) of the agreement will be those benefits that were provided to Mr. Bochnowski immediately prior to the Change of Control; *provided that*, the foregoing provisions will not apply to the severance and benefits provisions above if the benefits Mr. Bochnowski would receive under those provisions would be greater without the application of the limitations described in this paragraph.
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- Under the prior provisions of Section 6(a) of the employment agreement, the Bank agreed to continue funding all premiums under certain group life, AD&D, split dollar, and life insurance policies, and any other insurance policies that may in the future be purchased, under which David Bochnowski is an insured until the end of the term of the employment agreement. Notwithstanding the above, in the event of a Change in Control (as defined in the employment agreement) of the Bancorp or the Bank, under the prior provisions of Section 6(a), the Bank agreed to pay David Bochnowski all future premiums on the above policies, plus certain tax gross-up amounts, prior to the end of the term. The Second Amendment amends Section 6(a) of the employment agreement to now provide that, notwithstanding the above, in the event of David Bochnowski's discharge without Cause (as defined in the employment agreement) or resignation for Good Reason (as defined in the employment agreement) in connection with a Change in Control of the Bancorp or the Bank, the Bank will pay David Bochnowski the amount of only those future premiums on the insurance policies that are reasonably expected to become due before the end of the term of the employment agreement, and that David Bochnowski will be solely responsible for any tax on the above-described insurance benefits (the Bank is no longer be obligated to pay any tax gross-up amounts in connection with these benefits).
- The Second Amendment amends Section 19 of the employment agreement to expand the employee and customer non-solicitation covenants which are applicable to David Bochnowski during his employment with the Bancorp or the Bank and for a period of one year following his date of termination, as well as an expansion of the confidentiality covenants applicable to Mr. Bochnowski.
- The Second Amendment amends Section 24 of the employment agreement to make certain technical changes to the provisions governing the application of Code Section 409A to payments to Mr. Bochnowski under the agreement.

The foregoing description of the Second Amendment is a summary and is qualified in its entirety by reference to the terms of the Second Amendment, which is attached to this Current Report on Form 8-K as Exhibit 10.1 and incorporated by reference herein.

Third Amendment to Employment Agreement with Benjamin J. Bochnowski

The Third Amendment dated May 3, 2021 to Benjamin Bochnowski's Employment Agreement (the "Third Amendment") reflects the following amendments:

- The Third Amendment amends the severance provisions applicable to a discharge of Benjamin Bochnowski without Cause (as defined in the employment agreement) or a resignation with Good Reason (as defined in the agreement) in Section 9(b) of the employment agreement to eliminate the event triggering severance benefits payable to Mr. Bochnowski by reason of his resignation without Good Reason within one year after a Change of Control. This eliminates the "modified single trigger" change in control severance provision that was previously present in the employment agreement. The Third Amendment also makes corresponding changes to the language in the severance provisions of the employment agreement to reflect the elimination of the modified single trigger provision.
 - The Third Amendment amends Section 9(b) of the employment agreement to now provide that the severance benefits payable to Benjamin Bochnowski upon a discharge without Cause or a resignation with Good Reason are contingent upon Mr. Bochnowski executing a general release and waiver of claims in a form and substance acceptable to the Bancorp.
 - The Third Amendment amends Section 9(c) of the employment agreement to now provide that if Mr. Bochnowski's employment terminates for any reason after a Change of Control, the severance payment applicable upon a discharge without Cause or a resignation with Good Reason as it relates to his annual bonus under Section 9(b)(ii) of the agreement will be the most recent annual bonus received by Mr. Bochnowski prior to the Change of Control, and the benefits continuation provision in Section 9(b)(iii) of the agreement will be those benefits that were provided to Mr. Bochnowski immediately prior to the Change of Control; *provided that*, the foregoing provisions will not apply to the severance and benefits provisions above if the benefits Mr. Bochnowski would receive under those provisions would be greater without the application of the limitations described in this paragraph.
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- The Third Amendment amends the “Change of Control” definition in Section 8(c) of the employment agreement to add a provision that notwithstanding any other provision of the agreement, no Change of Control will be deemed to have occurred unless such event constitutes a change in control under Code Section 409A. A similar change was made to the “Termination of Employment” definition in Section 8(f) of the agreement to provide that no Termination of Employment will occur unless a separation from service under Code Section 409A has occurred.
- The Third Amendment amends Section 17 of the employment agreement to expand the employee and customer non-solicitation covenants which are applicable to Benjamin Bochnowski during his employment with the Bancorp or the Bank and for a period of one year following his date of termination.
- The Third Amendment amends Section 23 of the employment agreement to make certain technical changes to the provisions governing the application of Code Section 409A to payments to Mr. Bochnowski under the agreement.

The foregoing description of the Third Amendment is a summary and is qualified in its entirety by reference to the terms of the Third Amendment, which is attached to this Current Report on Form 8-K as Exhibit 10.2 and incorporated by reference herein.

Forward-Looking Statements

This Current Report on Form 8-K may contain forward-looking statements regarding the matters discussed herein. 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 Securities and Exchange Commission (“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.

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. In addition to matters discussed in this report, 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). 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.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

Exhibit No.	Description
10.1	Second Amendment to Amended and Restated Employment Agreement with David A. Bochnowski dated May 3, 2021.
10.2	Third Amendment to Employment Agreement with Benjamin J. Bochnowski dated May 3, 2021.
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.

Date: May 5, 2021

NorthWest Indiana Bancorp

By: /s/ Peymon S. Torabi
Printed Name: Peymon S. Torabi
Title: Executive Vice President, Chief Financial Officer and
Treasurer

SECOND AMENDMENT TO AMENDED AND RESTATED EMPLOYMENT AGREEMENT

This SECOND AMENDMENT TO AMENDED AND RESTATED EMPLOYMENT AGREEMENT (this "Amendment"), is entered into as of May 3, 2021, by and among NorthWest Indiana Bancorp (the "Company"), the wholly-owned subsidiary of the Company, Peoples Bank ("Peoples Bank," and collectively with the Company, the "Bank" unless otherwise noted), and David A. Bochnowski (the "Executive").

WHEREAS, the Company, Peoples Bank, and the Executive entered into an Amended and Restated Employment Agreement, dated as of February 26, 2016, but effective as of April 28, 2016, as amended by that certain First Amendment to Employment Agreement, dated April 28, 2021 (as amended, the "Employment Agreement");

WHEREAS, the Executive has served as the Executive Chairman of the Bank pursuant to the Employment Agreement;

WHEREAS, the Executive and the Bank are currently in discussions to extend the term of the Employment Agreement; and

WHEREAS, until such discussions have concluded, the parties now desire to make certain modifications to the Employment Agreement as set forth in this Amendment;

NOW, THEREFORE, in consideration of the premises and mutual covenants herein and for other good and valuable consideration, the parties hereby agree that the Employment Agreement shall be, and it hereby is, amended as follows:

1. Other Benefits. The "Notwithstanding the above . . ." section of Paragraph 6(a) is hereby amended and restated as follows:

Notwithstanding the above, in the event of Executive's discharge without Cause or resignation for Good Reason in connection with a Change in Control (as defined in paragraph 8(c)) of the Company or the Bank, the Bank agrees to pay the Executive the amount of only those future premiums on the above policies that shall be reasonably expected to become due before the end of the Term. Any such premiums shall be paid prior to the end of the Term. In the event such payment is made, the Bank shall be relieved of its obligation to continue funding premiums during the Term as they become due. The Executive is solely responsible for any tax on the benefits described in this paragraph and shall consult his tax advisor regarding the same.

2. Definitions. Subparagraph (e) of Paragraph 8 of the Employment Agreement is hereby amended and restated in its entirety to read as follows:

(e) "Good Reason" shall mean any of the following: (A) the failure to re- elect the Executive as Executive Chairman and as Chairman of the Board of Directors of the Company or the Bank with full voting rights, (B) assignment of duties inconsistent with the Executive's position, authority, duties or responsibilities, or any other action by the Bank which results in a substantial diminution of such position, authority, duties or responsibilities, or (C) any substantial failure by the Bank to comply with any of the provisions of this Agreement; provided, however, that actions taken by the Board of Directors of the Bank under subparagraphs (A) and (B) by reason of the Executive's inability to perform the responsibilities contemplated by those sections because of a physical or mental injury or disease shall not be deemed "Good Reason." Expiration of the Term of this Agreement (or failure to enter into a Renewal Term) shall not constitute Good Reason.

3. Obligations of the Bank Upon Termination.

(A) The introductory section to subparagraph 9(c) is hereby amended and restated per the below redline as follows:

In the event of the Executive's Termination of Employment by reason of the discharge of the Executive by the Bank without Cause, or by reason of the resignation of the Executive for Good Reason, and contingent upon Executive timely executing an effective general release and waiver of all known and unknown claims in a form and substance acceptable to the Company (the "Separation and Release Agreement"), then the Bank shall pay to Executive, or his heirs or estate in the event of the Executive' s death, in addition to the compensation and benefits described in paragraph (a), the following benefits:

(B) The sentence immediately following subsection (v) of subparagraph 9(c) is hereby amended and restated as follows:

The amounts payable under paragraphs (c)(i), (ii), (iii) and (iv) shall be paid on the first payroll date following sixty (60) days after Executive's Date of Termination only if Executive: (A) signs the Separation and Release Agreement and any revocation period applicable to the Separation and Release Agreement has lapsed without any such revocation before the 60th day after Executive's Date of Termination; and (B) does not breach any provision herein or in any separate agreements (including but not limited to the Separation and Release Agreement) with the Company. No payment under this Paragraph 9(c) shall be due or payable to Executive if he fails to timely deliver to the Company an executed Separation and Release Agreement, he revokes any portion thereof, any applicable revocation period has not lapsed within 60 days of his Date of Termination or the Executive breaches any provision herein or any separate agreements with the Company.

(C) Subparagraph 9(e) of the Employment Agreement is hereby amended and restated in its entirety to read as follows:

(e) Level of Bonus and Welfare Benefits after a Change of Control. In the event of Executive's discharge without Cause or resignation for Good Reason in connection with a Change of Control, the phrase "most recent annual bonus" as used in paragraphs (a) and (c)(i) and (iii) shall be replaced by the phrase "most recent annual bonus received by the Executive prior to the Change of Control," and the phrase "would have been provided if the Executive's employment had continued for that time" as used in paragraph (c)(iv) shall be replaced by the phrase "were provided to the Executive immediately prior to the Change of Control;" provided, however, that this paragraph (e) shall not apply to (a), (c)(i), (c)(iii) or to (c)(iv) if the benefits the Executive would receive under (a), (c)(i), (c)(iii) or (c)(iv) would be greater without the application of this paragraph (e).

4. Certain Additional Payments by the Bank. Paragraph 10 of the Employment Agreement is hereby amended and restated in its entirety to read as follows:

10. Certain Reduction of Payments by the Bank. Notwithstanding Paragraph 9 of this Agreement, the payments or benefits to be made or afforded to Executive under this Agreement when aggregated with any other "parachute payments" (defined under Section 280G of the Code) as compensation that becomes payable or accelerated due to a Change of Control payable under any plans, agreements, or policies of the Company or Peoples Bank, shall be reduced to the highest amount permissible under Sections 280G and 4999 of the Code before the Executive becomes subject to the excess parachute payment excise tax under Section 4999 of the Code and the Company or Peoples Bank loses all or part of its compensation deduction for such payments. The Executive and the Bank shall jointly determine the allocation of the reduction required hereby among the benefits to which the Executive is entitled.

5. Non-solicitation. Paragraph 19 of the Employment Agreement is hereby amended and restated in its entirety to read as follows:

19. Non-solicitation; Confidentiality. (a) The Executive covenants and agrees that during his employment with either the Company or Peoples Bank, and for a period of one (1) year following the Date of Termination, he shall not directly for himself or for any third party, solicit, induce, recruit, or cause another person in the employ of the Company (or Peoples Bank): (i) who has access to, or possesses, Confidential Information, trade secrets, or other knowledge regarding the Company (or Peoples Bank) that could give a competitor of the Company (or Peoples Bank) an unfair advantage; (ii) who, within the one year period preceding Executive's separation from employment, has serviced or established goodwill with the Company's (or Peoples Bank's) customers or clients or acquired Confidential Information about those customers or clients; or (iii) who reported directly or indirectly to the Executive during Executive's last year of employment, to terminate his/her employment for the purpose of joining, associating, or becoming employed with another person, business organization or other entity that is in competition with any product or service provided by the Company (or Peoples Bank), or any business or activity of the Company (or Peoples Bank). Executive further covenants and agrees that during his employment with either the Company or Peoples Bank, and for a period of one (1) year following the Date of Termination, he shall not directly for himself or for any third party, encourage or induce any customer of the Company (or Peoples Bank) to cease doing business with the Company (or Peoples Bank).

(b) Confidentiality.

(i) The Executive acknowledges and agrees that (1) by virtue of his employment, he has been and will be given access to, and will help analyze, formulate, or otherwise use, Confidential Information (defined below), (2) the Company (and Peoples Bank) has devoted (and will devote) substantial time, money, and effort to develop Confidential Information and maintain the proprietary and confidential nature thereof, and (3) Confidential Information is proprietary and confidential and, if any Confidential Information were disclosed or became known by persons engaging in a business in any way competitive with the Company's (and Peoples Bank's) business, such disclosure would result in hardship, loss, irreparable injury, and damage to the Company (and Peoples Bank), the measurement of which would be difficult, if not impossible, to determine. Accordingly, the Executive agrees that the preservation and protection of Confidential Information is an essential part of his duties of employment and that, as a result of his employment with the Company (and Peoples Bank) hereunder, he has a duty of fidelity, loyalty, and trust to the Company (and Peoples Bank) in safeguarding Confidential Information. The Executive further agrees that he will use his best efforts, exercise utmost diligence, and take all steps necessary to protect and safeguard Confidential Information, whether such information derives from the Executive, other employees of the Company (and Peoples Bank), the Company's (and Peoples Bank's) customers or prospective customers, or vendors or suppliers of the Company (and Peoples Bank), and that he will not, directly or indirectly, use, disclose, distribute, or disseminate to any other person or entity or otherwise employ Confidential Information, either for his own benefit or for the benefit of another, except as required in the ordinary course of his employment by the Company (and Peoples Bank). The Executive shall follow all Company (and Peoples Bank) policies and procedures to protect all Confidential Information and shall take any additional precautions necessary under the circumstances to preserve and protect against the prohibited use or disclosure of any Confidential Information.

(ii) The confidentiality obligations contained in this Agreement shall continue as long as Confidential Information remains confidential (except that the obligations shall continue if Confidential Information loses its confidential nature through improper use or disclosure, including but not limited to any breach of this Agreement) and shall survive the termination of this Agreement and/or termination of the Executive's employment with the Company (or Peoples Bank).

(iii) From time to time, the Company (or Peoples Bank) may, for its own benefit, choose to place certain Confidential Information in the public domain. The fact that Confidential Information may be made available to the public in a limited form and under limited circumstances does not change the confidential and proprietary nature of such information, and does not release the Executive from his obligations with respect to such Confidential Information.

(iv) For purposes of this Paragraph 19, the term "**Confidential Information**" means the

(1) materials, records, documents, data, statistics, studies, plans, writings, and information (whether in handwritten, printed, digital, or electronic form) relating to the Company's (or Peoples Bank's) business that are not generally known or available to the Company's (or Peoples Bank's) competitors, or in its (or their) trade, or industry, or to individuals who work therein, other than through a breach of this Agreement; or

(2) trade secrets of the Bank (as defined in Indiana Code § 24-2-3-2, as amended, or any successor statute).

Confidential Information also includes, but is not limited to: (i) information about the Company's (and Peoples Bank's) employees; (ii) information about the Company's (or Peoples Bank's) compensation policies, structure, and implementation; (iii) hardware, software, and computer programs and technology used by the Company (or Peoples Bank); (iv) Company (or Peoples Bank) customer and prospective customer identities, lists, and databases, including private information related to customer history, loan activity, account balances, and financial information; (v) strategic, operating, and marketing plans; (vi) lists and databases and other information related to the Company's (or Peoples Bank's) vendors; (vii) policies, procedures, practices, and plans related to pricing of products and services; and (viii) information related to the Company's (or Peoples Bank's) acquisition and divestiture strategy. Information or documents that are generally available or accessible to the public shall be deemed Confidential Information, if the information is retrieved, gathered, assembled, or maintained by the Company (or Peoples Bank) in a manner not available to the public or for a purpose beneficial to the Company (or Peoples Bank).

6. Payments Upon Income Inclusion under Section 409A of the Code. Paragraph 24 of the Employment Agreement is hereby amended and restated in its entirety to read as follows:

24. Code Section 409A. Upon the inclusion of any amount into the Executive's income as a result of the failure of this Agreement to comply with the requirements of Section 409A of the Code, a payment not to exceed the amount that shall be included in income shall be made as soon as is administratively practicable following the discovery of the failure of the Agreement to comply with Section 409A of the Code and the regulations promulgated thereunder. This Agreement is intended to comply with the requirements of Code Section 409A to the extent applicable, and the Company shall administer and interpret this Agreement in accordance with such requirements any applicable exceptions. If any provision contained in the Agreement conflicts with the requirements of Code Section 409A (or the exceptions intended to apply under the Agreement), the Agreement shall be deemed to be reformed to comply with the requirements of Section 409A of the Code (or the applicable exceptions thereto), and the Company shall have the right to amend the Agreement, as necessary for compliance. In no event whatsoever shall the Company (or Peoples Bank) be liable for any additional tax, interest or penalty that may be imposed on the Executive by Code Section 409A or damages for failing to comply with Code Section 409A.

7. Defined Terms. All capitalized terms not otherwise defined in this Amendment shall have the meanings given to them in the Employment Agreement.
8. Counterparts. This Amendment may be executed in any number of counterparts, each such counterpart being deemed to be an original instrument, and all such counterparts shall together constitute the same instrument.
9. Miscellaneous. Except as specifically amended by the terms of this Amendment, all other terms and conditions of the Employment Agreement are and shall remain in full force and effect for all purposes.

[Signature Page Follows]

IN WITNESS WHEREOF, the parties hereto have executed this Amendment as of the date first above written.

NORTHWEST INDIANA BANCORP

/s/ Donald P. Fesko
Name: Donald P. Fesko
Title: Chair, Compensation and Benefits Committee

PEOPLES BANK

/s/ Donald P. Fesko
By: Donald P. Fesko
Title: Chair, Compensation and Benefits Committee

/s/ David A. Bochnowski
By: David A. Bochnowski

THIRD AMENDMENT TO EMPLOYMENT AGREEMENT

This THIRD AMENDMENT TO EMPLOYMENT AGREEMENT (this "Amendment"), dated as of May 3, 2021 (the " **Effective Date**"), by and among Northwest Indiana Bancorp (the "Company"), the wholly-owned subsidiary of the Company, Peoples Bank ("**Peoples Bank**," and collectively with the Company, the "**Bank**" unless otherwise noted), and Benjamin J. Bochnowski (the "**Executive**").

WHEREAS, the Company, Peoples Bank, and the Executive entered into an Employment Agreement, dated as of August 1, 2017, as amended by that certain First Amendment to Employment Agreement, dated as of July 27, 2018 and that Second Amendment to Employment Agreement, dated as of March 15, 2021 (as amended, the "**Employment Agreement**");

WHEREAS, the Executive has served as the President and Chief Executive Officer of the Bank pursuant to the Employment Agreement; and

WHEREAS, the parties now desire to make certain modifications to the Employment Agreement as set forth in this Amendment;

NOW, THEREFORE, in consideration of the premises and mutual covenants herein and for other good and valuable consideration, the parties hereby agree that the Employment Agreement shall be, and it hereby is, amended as follows:

1. Definitions.

(A) Section 8(c) of the Employment Agreement is amended by adding to the end of the section:

Notwithstanding any other provision of this Agreement, with respect to any payment or benefit described herein that is subject to Section 409A of the Internal Revenue Code of 1986, as amended ("Code"), no Change in Control shall be deemed to have occurred unless such event constitutes a Change in Control under Code Section 409A.

(B) The last paragraph of Section 8(f) of the Employment Agreement is hereby amended and restated in its entirety to read as follows:

Any reference in this Agreement to a "termination of employment," severance from employment, separation from employment, resignation or discharge otherwise entitling the Executive to payment hereunder shall be deemed to mean a Termination of Employment; provided, however, that with respect to any benefit or payment described in this Agreement which is subject to Code Section 409A, no Termination of Employment shall occur unless a separation from service under Code Section 409A has occurred.

2. Obligations of the Bank Upon Termination. Sections 9(b) and (c) of the Employment Agreement are hereby amended and restated in their entirety to read as follows:

(b) **Discharge Without Cause or Resignation with Good Reason.** In the event of the Executive's Termination of Employment (1) by reason of the discharge of the Executive by the Bank without Cause, or (2) by reason of the resignation of the Executive for Good Reason, and contingent upon the Executive timely executing an effective general release and waiver of all known and unknown claims in a form and substance acceptable to the Company (the "Separation and Release Agreement"), then the Bank shall pay to Executive, or his heirs or estate in the event of the Executive's death, in addition to the compensation and benefits described in Section 9(a), the following benefits:

(i) Payment in a lump sum of an amount equal to two (2) times the Executive's then-current base salary as in effect prior to the termination;

(ii) Payment in a lump sum of an amount equal to two (2) times the most recent annual bonus received by the Executive;

(iii) Continuation, for a period of eighteen (18) months after the Date of Termination, of welfare benefits and senior executive perquisites at least equal to those which would have been provided if the Executive's employment had continued for that time; and

(iv) Outplacement services, at the expense of the Bank, from a provider reasonably selected by the Executive.

The amounts payable under paragraphs (b)(i) and (ii) shall be paid on the first payroll date following sixty (60) days after Executive's Date of Termination only if Executive: (A) signs the Separation and Release Agreement and any revocation period applicable to the Separation and Release Agreement has lapsed without any such revocation before the 60th day after Executive's Date of Termination; and (B) does not breach any provision herein or in any separate agreements (including but not limited to the Separation and Release Agreement) with the Company. No payment under this Paragraph 9(c) shall be due or payable to Executive if he fails to timely deliver to the Company an executed Separation and Release Agreement, he revokes any portion thereof, any applicable revocation period has not lapsed within 60 days of his Date of Termination or Executive breaches any provision herein or any separate agreements with the Company. To the extent any benefits or perquisites provided under paragraph (b)(iii) provide for reimbursements of expenses incurred by the Executive, or in-kind benefits, the following conditions must be satisfied:

(1) The benefit or perquisite must provide an objectively determinable nondiscretionary definition of the expenses eligible for reimbursement or of the in-kind benefits to be provided;

(2) The benefit or perquisite must provide for the reimbursement of expenses incurred or for the provision of the in-kind benefits during an objectively and specifically prescribed period;

(3) The benefit or perquisite must provide that the amount of expenses eligible for reimbursement, or in-kind benefits provided, during the Executive's taxable year may not affect the expenses eligible for reimbursement, or in-kind benefits to be provided, in any other taxable year;

(4) The reimbursement of an eligible expense must be made on or before the last day of the Executive's taxable year following the taxable year in which the expense was incurred; and

(5) The right to reimbursement or in-kind benefit must not be subject to liquidation or exchange for another benefit.

(c) **Level of Bonus and Welfare Benefits after a Change of Control.** In the event of Executive's discharge without Cause or resignation for Good Reason in connection with a Change of Control, the phrase "most recent annual bonus" as used in paragraph (b)(ii) shall be replaced by the phrase "most recent annual bonus received by the Executive prior to the Change of Control," and the phrase "would have been provided if the Executive's employment had continued for that time" as used in paragraph (b)(iii) shall be replaced by the phrase "were provided to the Executive immediately prior to the Change of Control;" *provided that*, this paragraph (c) shall not apply to (b)(ii) or (iii) if the benefits the Executive would receive under (b)(ii) or (iii) would be greater without the application of this paragraph (c).

3. Nonsolicitation. Section 17 of the Employment Agreement is hereby amended and restated in its entirety to read as follows:

Non-solicitation. The Executive covenants and agrees that during his employment with either the Company or Peoples Bank, and for a period of one (1) year following the Date of Termination, he shall not directly for himself or for any third party, solicit, induce, recruit, or cause another person in the employ of the Company (or Peoples Bank): (i) who has access to, or possesses, Confidential Information, trade secrets, or other knowledge regarding the Company (or Peoples Bank) that could give a competitor of the Company (or Peoples Bank) an unfair advantage; (ii) who, within the one year period preceding Executive's separation from employment, has serviced or established goodwill with the Company's (or Peoples Bank's) customers or clients or acquired Confidential Information about those customers or clients; or (iii) who reported directly or indirectly to the Executive during the Executive's last year of employment, to terminate his/her employment for the purpose of joining, associating, or becoming employed with another person, business organization or other entity that is in competition with any product or service provided by the Company (or Peoples Bank), or any business or activity of the Company (or Peoples Bank). Executive further covenants and agrees that during his employment with either the Company or Peoples Bank, and for a period of one (1) year following the Date of Termination, he shall not directly for himself or for any third party, encourage or induce any customer of the Company (or Peoples Bank) to cease doing business with the Company (or Peoples Bank).

4. Payments upon Income Inclusion under Section 409A of the Code. Section 23 of the Employment Agreement is hereby amended and restated in its entirety to read as follows:

Code Section 409A. Upon the inclusion of any amount into the Executive's income as a result of the failure of this Agreement to comply with the requirements of Section 409A of the Code, a payment not to exceed the amount that shall be included in income shall be made as soon as is administratively practicable following the discovery of the failure of the Agreement to comply with Section 409A of the Code and the regulations promulgated thereunder. This Agreement is intended to comply with the requirements of Code Section 409A to the extent applicable, and the Company shall administer and interpret this Agreement in accordance with such requirements or any applicable exceptions. If any provision contained in the Agreement conflicts with the requirements of Code Section 409A (or the exceptions intended to apply under the Agreement), the Agreement shall be deemed to be reformed to comply with the requirements of Section 409A of the Code (or the applicable exceptions thereto), and the Company shall have the right to amend the Agreement, as necessary for compliance. In no event whatsoever shall the Company (or Peoples Bank) be liable for any additional tax, interest or penalty that may be imposed on the Executive by Code Section 409A or damages for failing to comply with Code Section 409A.

5. Defined Terms. All capitalized terms not otherwise defined in this Amendment shall have the meanings given to them in the Employment Agreement.
6. Counterparts. This Amendment may be executed in any number of counterparts, each such counterpart being deemed to be an original instrument, and all such counterparts shall together constitute the same instrument.
7. Miscellaneous. Except as specifically amended by the terms of this Amendment, all other terms and conditions of the Employment Agreement are and shall remain in full force and effect for all purposes.

[Signature Page Follows]

IN WITNESS WHEREOF, the parties hereto have executed this Amendment as of the date first above written.

NORTHWEST INDIANA BANCORP

/s/ Donald P. Fesko

Name: Donald P. Fesko

Title: Chair, Compensation and Benefits Committee

PEOPLES BANK SB

/s/ Donald P. Fesko

Name: Donald P. Fesko

Title: Chair, Compensation and Benefits Committee

/s/ Benjamin J. Bochnowski

By: Benjamin J. Bochnowski