GERMAN AMERICAN BANCORP, INC.
Form 424B3
August 28, 2013

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Registration No. 333-190723

PROXY STATEMENT/PROSPECTUS

Dear Shareholder of United Commerce Bancorp:

United Commerce Bancorp (which we refer to as UCBN) proposes to merge with and into German American Bancorp, Inc. (which we refer to as German American). At the effective time of the proposed merger, each outstanding share of UCBN s common stock (other than shares then held of record by German American or by shareholders who perfect and do not withdraw their dissenters rights under Indiana law) would be converted into the right to receive:

0.5456 to 0.6667 shares (with the exact number to be fixed at closing based on German American s pre-closing market price) of German American common stock (or cash in lieu of fractional share interests), plus
a cash payment of $1.75 (subject to reduction to the extent that UCBN s consolidated common shareholders equity is not at least equal to a certain level at the time of closing).
Had this proposed merger become effective on August 22, 2013 (the most recent practicable date prior to printing of this proxy statement/prospectus) you would have received 0.5456 shares of German American valued (on the basis of the NASDAQ Official Closing Price of German American s shares on August 22, 2013) at $14.07 per UCBN share, plus a cash payment of $1.53, for total equivalent merger consideration of $15.60 per UCBN share.

UCBN will hold a special meeting of its shareholders to vote on the merger proposal at the Bloomington Convention Center, located at 302 South College Avenue, Bloomington, Indiana, on Friday, September 27, 2013, at 1:30 p.m., local time. **Your vote is important, because your failure to vote will have the same effect as your voting against the merger proposal.** Regardless of whether you plan to attend the special meeting, please take the time to vote your shares in accordance with the instructions contained in the attached proxy statement/prospectus.

UCBN s board of directors recommends that you vote FOR the merger.

This proxy statement/prospectus describes the special meeting, the merger proposal, the German American shares to be issued in the merger, the manner of calculation of the number of German American shares to be issued and the amount of cash to be paid for each UCBN common share in the merger, and other related matters. Please carefully read this entire document, including Risk Factors beginning on page 13, for a discussion of the risks relating to the merger proposal and the German American common shares. Information about German American is included in this document and its annexes, including the annexes that comprise the separately-bound SEC Reports Annex. You also can obtain information about German American from documents that it has filed with the Securities and Exchange Commission. See WHERE YOU CAN FIND MORE INFORMATION, on page 63.

Neither the Securities and Exchange Commission nor any state securities commission or regulatory body has approved or disapproved of these securities or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

The securities are not savings accounts, deposits or obligations of any bank and are not insured by the Federal Deposit Insurance Corporation or any other governmental agency.

The common shares of German American are traded on the NASDAQ Global Select Market under the symbol GABC, and the common shares of UCBN are quoted by brokers on the Over-the-Counter Bulletin Board under the symbol UCBN.

All information in this proxy statement/prospectus concerning German American and its subsidiaries has been furnished by German American, and all information in this proxy statement/prospectus concerning UCBN has been furnished by UCBN.

You should rely only on the information contained in this proxy statement/prospectus to vote on the proposals to UCBN s shareholders in connection with the merger. We have not authorized anyone to provide you with information that is different from what is contained in this proxy statement/prospectus.

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This proxy statement/prospectus is dated August 28, 2013. You should not assume that the information contained in this proxy statement/prospectus is accurate as of any date other than such date, and neither the mailing of this proxy statement/prospectus to shareholders nor the issuance of German American shares as contemplated by the merger agreement shall create any implication to the contrary.

The date of this Proxy Statement/Prospectus is August 28, 2013

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UNITED COMMERCE BANCORP

Notice of Special Meeting of Shareholders to be held September 27, 2013

A special meeting of shareholders of United Commerce Bancorp, an Indiana corporation (UCBN), will be held at 1:30 p.m., local time, on Friday, September 27, 2013 at the Bloomington Convention Center, 302 South College Avenue, Bloomington, Indiana. Any adjournments or postponements of the special meeting will be held at the same location unless otherwise announced at the conclusion of the adjourned or postponed meeting session.

At the special meeting, you will be asked:

1. to consider and vote upon a proposal to approve the Agreement and Plan of Reorganization, dated as of July 23, 2013 (which we refer to as the merger agreement), which has been entered into by and among UCBN, German American Bancorp, Inc., United Commerce Bank, and German American Bancorp (including the related plan of merger in the form that is attached to the merger agreement), and thereby to approve the transactions contemplated by the merger agreement, including the merger of UCBN into German American Bancorp, Inc.;
2. to approve one or more adjournments of the special meeting (upon the motion of any shareholder of record entitled to vote thereon duly made and seconded) if necessary to permit further solicitation of proxies in favor of the merger agreement and the proposed merger; and
3. to transact such other business as may be properly presented at the special meeting and any adjournments or postponements of the special meeting.

The accompanying proxy statement/prospectus describes the merger agreement and the proposed merger in detail, and includes a copy of the merger agreement (which includes the plan of merger) as an exhibit. We urge you to read these materials carefully. The proxy statement/prospectus (and such exhibit) forms a part of this notice.

The board of directors of UCBN recommends that UCBN shareholders vote FOR the proposal to approve the merger agreement and FOR the proposal to approve adjournments.

The board of directors of UCBN has fixed the close of business on August 22, 2013 as the record date for determining the shareholders entitled to notice of, and to vote at, the special meeting and any adjournments or postponements of the special meeting.

You are entitled to assert dissenters rights as set forth in Sections 23-1-44-1 through 23-1-44-20 of the Indiana Business Corporation Law, a copy of which is included as Annex C to the accompanying proxy statement/prospectus. For a discussion of the procedures to follow in asserting those dissenters rights, please refer to the section entitled RIGHTS OF DISSENTING SHAREHOLDERS in the attached proxy statement/prospectus.

To ensure your representation at the special meeting, please follow the voting procedures described in the accompanying proxy statement/prospectus. This will not prevent you from voting in person. Your proxy may be revoked at any time before it is voted.

By Order of the Board of Directors

Don A. Adams, Secretary
Bloomington, Indiana
August 28, 2013

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* **in the separately-bound SEC Reports Annex to this proxy statement/prospectus**

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QUESTIONS AND ANSWERS

The following questions and answers are intended to address some commonly-asked questions regarding the proposed merger and the special meeting. These questions and answers may not address all the questions that may be important to you as one of UCBN s shareholders. Please refer to the more detailed information contained elsewhere in this proxy statement/prospectus and the annexes to this proxy statement/prospectus.

Q: What am I being asked to vote on? What is the proposed transaction?

A: You are being asked to vote in favor of approving a merger agreement (including a plan of merger) between United Commerce Bancorp (which we refer to as UCBN) and German American Bancorp, Inc. (which we refer to as German American), and approving the transactions contemplated by the merger agreement, including the merger of UCBN with and into German American. We refer to this proposal as the merger agreement proposal. As a result of the merger contemplated by the merger agreement proposal, UCBN will cease to exist and UCBN s bank subsidiary, United Commerce Bank (which we refer to as United Commerce), will merge into German American s bank subsidiary (which is named German American Bancorp).

You are also being asked to approve one or more adjournments of the special meeting that will be convened to consider approving the merger agreement proposal (upon the motion of any shareholder of record entitled to vote thereon duly made and seconded) if necessary to permit further solicitation of proxies in favor of the merger agreement proposal, which we refer to as the adjournment proposal.

Q: What will I be entitled to receive in the merger?

A: If the merger is completed, and you continue through the effective time of the merger to hold your UCBN shares (and do not exercise your statutory dissenters rights), you will be entitled to receive for (or in respect of) each of your UCBN shares both:

0.5456 to 0.6667 shares (with the exact number to be fixed at closing based on German American s pre-closing market price) of German American common stock (or cash in lieu of fractional share interests), plus

a cash payment of $1.75 (subject to reduction to the extent that UCBN s consolidated common shareholder s equity is not at least equal to a certain level at the time of closing).

Q: Am I entitled to dissenters rights (sometimes also called appraisal rights)?

A: Yes. Indiana law provides you with dissenters rights in the merger. This means that, if you exactly comply with certain legal requirements specified by law, you will be entitled to receive payment in cash of the fair value (as determined by a court in accordance with Indiana law) of your shares, excluding any appreciation in value that results from the merger. To exercise your dissenters rights you must deliver written notice of your intent to demand payment for your shares to UCBN at or before the special meeting of our shareholders and you must not vote in favor of the merger. Notices should be addressed to Corporate Secretary, United Commerce Bancorp, 211 South College Avenue, Bloomington, Indiana 47404. Your failure to follow exactly the procedures specified under Indiana law will result in the loss of your dissenters rights. A copy of the dissenters rights provisions of Indiana law is provided as Annex C to this document. See RIGHTS OF DISSENTING SHAREHOLDERS on page 57.

Q: Why do UCBN and German American want to merge?

A: UCBN believes that the proposed merger will provide UCBN shareholders with substantial benefits, and German American believes that the merger will further its strategic growth plans. As a larger company, German American can provide the capital and resources that UCBN needs to compete more effectively and to offer a broader array of products and services to better serve its banking customers. To review the reasons for the merger in more detail, see THE MERGER Reasons for the Merger German American on page 25 and THE MERGER Reasons for the Merger UCBN on page 23.

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Q: What vote is required to adopt the two proposals at the special meeting?

A: Holders of a majority of the issued and outstanding shares of UCBN common stock (determined on the record of our shareholders as of August 22, 2013, the record date for the meeting) must vote in favor of the proposal to approve the merger agreement. Abstentions and broker non-votes will have the same effect as shares voted against the merger agreement proposal.

Approval of the adjournment proposal will require the affirmative vote of a majority of the voting power of the shares of UCBN that are present in person or represented by proxy at the special meeting and entitled to vote on the adjournment proposal. Abstentions will have the same effect as shares voted against the adjournment proposal, and broker non-votes will not affect whether the adjournment proposal is approved.

Q: Have any UCBN shareholders already committed to vote in favor of the merger proposal?

A: As of the record date, German American beneficially owned 44,100 shares (4.6% of our shares then issued and outstanding) and therefore may be expected to vote for the merger proposal.

Q: How many shares do UCBN s directors and executive officers control?

A: UCBN s directors and executive officers (in the aggregate) had the sole or shared right to vote approximately 209,229 of the outstanding UCBN shares, or approximately 21.7% of UCBN s shares then outstanding, as of the record date for the special meeting. See OTHER IMPORTANT INFORMATION REGARDING UCBN Director and Executive Officer Beneficial Ownership on page 49.

Q: When and where is the UCBN special meeting?

A: The special meeting of UCBN shareholders is scheduled to take place at the Bloomington Convention Center, located at 302 South College Avenue, Bloomington, Indiana, at 1:30 p.m., local time, on Friday, September 27, 2013.

Q: Who is entitled to vote at the UCBN special meeting?

A: Holders of shares of UCBN common stock at the close of business on August 22, 2013, which is the record date, are entitled to vote on the proposal to approve the merger agreement. As of the record date, 965,333 shares of UCBN common stock were outstanding and entitled to vote.

Q: If I plan to attend the UCBN special meeting in person, should I still grant my proxy?

A: Yes. Whether or not you plan to attend the UCBN special meeting, you should grant your proxy as described in this proxy statement/prospectus. **The failure of a UCBN shareholder to vote in person or by proxy will have the same effect as a vote AGAINST approval of the merger agreement**.

Q: What is the recommendation of the UCBN board of directors?

A: The UCBN board of directors has determined that the merger agreement (including the plan of merger attached as Appendix A to that agreement) and the merger contemplated by the merger agreement (and plan of merger) are advisable, fair to, and in the best interests of, UCBN and its shareholders. Therefore, the UCBN board of directors recommends that you vote FOR the proposal to approve the merger agreement, and also that you vote FOR the adjournment proposal.

Q: What do I need to do now to vote my shares of UCBN?

After you have carefully read and considered the information contained in this proxy statement/prospectus, please vote by completing, signing, dating and returning the proxy card or voting form that accompanies this proxy statement/prospectus in the enclosed prepaid return envelope as soon as possible. This will enable your shares to be represented and voted at the special meeting.

Q: If my shares are held in street name by my broker, will they automatically vote my shares for me?

A: No. Your broker will not be able to vote your shares of UCBN common stock on the proposal to adopt the merger agreement unless you provide instructions on how to vote. Please instruct your broker how to vote your shares, following the directions that your broker provides. If you do not provide instructions to your broker on the proposal to adopt the merger agreement, your shares will not be voted, and this will have the effect of voting against the adoption of the merger agreement. Please check the voting form used by your broker to see if it offers telephone or Internet voting.

Q: May I change or revoke my vote after submitting a proxy?

A: Yes. If you have not voted through your broker, you can change your vote by:

providing written notice of revocation to the Corporate Secretary of UCBN, which must be filed with the Corporate Secretary by the time the special meeting begins;

submitting a new proxy card (any earlier proxies will be revoked automatically); or

attending the special meeting and voting in person. Any earlier proxy will be revoked.

However, simply attending the special meeting without voting will not revoke your proxy.

If you have instructed a broker to vote your shares, you must follow your broker s directions to change your vote.

Q: What are the material U.S. federal income tax consequences of the merger to me?

A: German American and UCBN expect the merger to qualify as a reorganization for U.S. federal income tax purposes. If the merger qualifies as a reorganization, then, in general, for U.S. federal income tax purposes:

UCBN shareholders generally will recognize gain (but not loss) in an amount not to exceed the cash received as part of the merger consideration and will recognize gain or loss with respect to any cash received in lieu of fractional shares of German American common stock; and

UCBN shareholders will not recognize gain (or loss) as a result of receiving shares of German American common stock in the merger.

To review the tax consequences of the merger to UCBN shareholders in greater detail, please see the section MATERIAL U.S. FEDERAL INCOME TAX CONSEQUENCES beginning on page 60.

Q: When is the merger expected to be completed?

A: We will try to complete the merger as soon as possible. Before that happens, the merger agreement (including the plan of merger) must be approved by UCBN s shareholders and we must obtain the necessary regulatory approvals. Assuming shareholders vote at least a majority of the issued and outstanding shares of UCBN in favor of the merger agreement at the scheduled shareholders meeting (without the need for any adjournment) and we obtain the other necessary approvals in a timely fashion, we hope to close the merger on September 30, 2013. Upon closing of the merger as hoped on September 30, 2013, German American would file the necessary documents with the appropriate offices of the State of Indiana to cause the mergers to become effective. Those documents would specify an effective time of the merger of 12:01 a.m. Bloomington (Indiana) time on October 1, 2013.

Q: Is completion of the merger subject to any conditions besides shareholder approval?

A: Yes. The transaction must receive the required regulatory approvals, UCBN s consolidated shareholders equity at closing must be at or above a certain level, and there are other customary closing conditions that must be satisfied (or waived, if applicable). To review the conditions of the merger in more detail, see THE MERGER AGREEMENT Conditions to Completion of the Merger on page 37.

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Q: Should I send in my stock certificates now?

A: No. You **SHOULD NOT** send in any stock certificates now. If the merger is approved and completed, an election form transmittal materials, with instructions for their completion, will be provided to all shareholders of UCBN under separate cover and only then should the stock certificates be sent.

Q: Who can answer my other questions?

A: If you have more questions about the merger, or how to submit your proxy, or if you need additional copies of this proxy statement/prospectus or the enclosed proxy form, you should contact Thomas G. Risen, President and Chief Executive Officer of UCBN, at (812) 336-2265.

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SUMMARY

The following summary, together with the section of the proxy statement/prospectus entitled Questions and Answers, highlight selected information contained in this proxy statement/prospectus. It may not contain all of the information that might be important in your consideration of the merger agreement and the proposed merger. We encourage you to read carefully this proxy statement/prospectus (including in the documents that are annexed to this document and listed in the Table of Contents) in their entirety before voting. See Where You Can Find More Information.

In this proxy statement/prospectus, the term UCBN refers to United Commerce Bancorp, the term German American refers to German American Bancorp, Inc., the terms we or us or our refer to UCBN and German American, the term merger agreement refers to that certain Agreement and Plan of Reorganization, dated as of July 23, 2013, as it may be amended from time to time, among German American, UCBN, and their banking subsidiaries, a copy of which is attached as Annex A to this proxy statement/prospectus, the term merger refers to the merger of UCBN with and into German American pursuant to the merger agreement, and the term shares refers to the shares of common stock of German American or UCBN (as applicable in context). Where appropriate, we have set forth a section and page reference directing you to a more complete description of the topics described in this summary.

Information about the Companies

German American Bancorp, Inc. (page 17)
711 Main Street, Box 810
Jasper, Indiana 47547-0810
(812) 482-1314

German American, an Indiana corporation, is a financial services holding company based in Jasper, Indiana. German American (through its bank subsidiary) operates 35 banking offices (including two branches in Bloomington, Indiana) in thirteen Southern Indiana counties. German American indirectly owns a trust, brokerage, and financial planning subsidiary (German American Financial Advisors & Trust Company) that operates from German American s banking offices and a full line property and casualty insurance agency (German American Insurance, Inc.) with eight insurance agency offices throughout German American s market area. As of June 30, 2013, German American had total deposits of approximately $1.6 billion, total loans of approximately $1.2 billion, total assets of approximately $2.0 billion and total shareholders equity of approximately $182 million.

United Commerce Bancorp (page 19)
211 South College Avenue
Bloomington, Indiana 47404
(812) 336-2265

UCBN, an Indiana corporation, is a bank holding company headquartered in Bloomington, Indiana. Its wholly owned subsidiary, United Commerce Bank, provides a full range of commercial and consumer banking services in the Bloomington, Indiana, area, from two banking offices located downtown and on the east side of the city. At June 30, 2013, UCBN reported total deposits of approximately $113 million, total loans of approximately $87 million, total assets of approximately $128 million, and total shareholders equity of approximately $14 million.

The Merger and the Merger Agreement (pages 21 and 37)

UCBN s merger into German American is governed by the merger agreement, and the related plan of merger that is Appendix A to the merger agreement. The merger agreement provides that, if all of the conditions are satisfied or waived, UCBN will be merged with and into German American with German American surviving the merger and UCBN ceasing to exist. We encourage you to read the merger agreement, which is included as Annex A to this proxy statement/prospectus.

What UCBN Shareholders Will Receive as a Result of the Merger (page 38)

If the merger is completed, each share of UCBN common stock that you own of record immediately before the effective time of the merger will be converted (pursuant to the terms of the merger and effective as of its effective time) into the right to receive 0.5456 to 0.6667 shares (with the exact number to be fixed at

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closing based on German American s pre-closing market price) of German American common stock (or cash in lieu of fractional share interests), plus a cash payment of $1.75 (subject to reduction to the extent that UCBN s consolidated common shareholders equity is not at least equal to a certain level at the time of closing). If the merger had closed on the date of this proxy statement/prospectus, then the exchange ratio would have been fixed at 0.5456 shares of German American common stock for each UCBN share, and the cash payment would have been $1.53 per share.

Board of Directors of German American (and its Bank Subsidiary) Following Completion of the Merger (page 17; Annex F)

The board of directors of German American and of its banking subsidiary will be the same as the boards of directors of such companies immediately prior to the effective time of the merger. Information about the current German American directors and executive officers can be found in German American s annual report on Form 10-K for its year ended December 31, 2012, and its proxy statement for its 2013 annual meeting, each of which is included in the separately-bound SEC Reports Annex to this proxy statement/prospectus which is delivered with, is incorporated by reference into, and forms part of, this proxy statement/prospectus.

Anticipated Accounting Treatment (page 36)

The merger will be accounted for under the acquisition method of accounting. Under the acquisition method, the purchase price will be allocated to identifiable assets and assumed liabilities based on their fair values. Any excess will be accounted for as goodwill. Intangible assets with definite lives will be amortized over their estimated useful lives. Goodwill and intangible assets determined to have indefinite lives will not be amortized, but will be tested for impairment at least annually (more frequently if certain indicators are present). In the event that management of German American determines that the value of goodwill or intangible assets has become impaired, an impairment charge will be recorded in the fiscal quarter in which such determination is made. Also, costs related to the merger will be expensed during the period in which they are incurred.

Opinion of Financial Advisor to UCBN (page 26)

In connection with the merger, the UCBN board of directors received an oral opinion, confirmed by a written opinion dated August 19, 2013, from UCBN s financial advisor, Renninger & Associates, LLC (which we refer to as Renninger), to the effect that, as of the date of the opinion and based on and subject to the various considerations described in the opinion, the consideration to be paid to holders of UCBN s shares in the proposed merger was fair, from a financial point of view, to those holders. The full text of Renninger s written opinion, which sets forth, among other things, the assumptions made, procedures followed, matters considered and limitations on the review undertaken by Renninger in rendering its opinion, is attached to this document as Annex B. We encourage you to read the entire opinion carefully. The opinion of Renninger is directed to the UCBN board of directors and does not constitute a recommendation to any UCBN shareholder as to how to vote at the UCBN special meeting or any other matter relating to the proposed merger.

Recommendation of UCBN Board of Directors (page 24)

The UCBN board of directors has approved and adopted the merger agreement and the proposed merger. The UCBN board believes that the merger agreement, including the merger contemplated by the merger agreement, is advisable and fair to, and in the best interests of, UCBN and its shareholders, and therefore recommends that UCBN shareholders vote FOR the proposal to adopt the merger agreement and the related plan of merger. In reaching this decision, UCBN s board of directors considered many factors, which are described in the section captioned THE MERGER Reasons for the Merger UCBN beginning on page 23.

Regulatory Approvals (page 35)

Under the terms of the merger agreement, the merger cannot be completed until German American and UCBN and their bank subsidiaries have received the necessary regulatory approvals for the merger of UCBN and German American and the merger of the bank subsidiaries. Filings have been made with all regulatory authorities that are believed by German American and UCBN to have authority to grant such approvals, and such filings are under consideration by such authorities but have not yet been approved as of the date of this proxy statement/prospectus.

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Conditions to the Merger (page 43)

The completion of the merger is subject to the fulfillment of a number of conditions, including:

approval of the merger agreement at the special meeting by the holders of at least a majority of UCBN s issued and outstanding shares;
approval of the transaction by the appropriate regulatory authorities;
maintenance by UCBN of a certain level of consolidated shareholders equity; and
the representations and warranties made by the parties in the merger agreement must be true in all material respects as of the closing date of the merger, except for such changes as have not had, and can not reasonably be expected to have, any effect that is material and adverse to the financial position, results of operations or business of the relevant party, taken as a whole.

Termination (page 44)

The merger agreement may be terminated by mutual consent of German American and UCBN at any time prior to the filing of the articles of merger with the Indiana Secretary of State on the date of closing of the merger. Additionally, subject to conditions and circumstances described in the merger agreement, either German American or UCBN may terminate the merger agreement prior to the filing of the articles of merger if, among other things, any of the following occur:

the closing of the merger has not occurred by December 31, 2013;
UCBN s shareholders do not adopt the merger agreement at the special meeting by the requisite vote;
there is a material breach by the other party of any representation or warranty contained in the merger agreement (other than those breaches that together with other breaches arising after the date of the merger agreement, do not have a material adverse effect on such other party as defined by the merger agreement, which breach cannot be cured, or has not been cured within 30 days after the giving of written notice to the other party of such breach);
there is a breach by the other party in any material respect of any of its covenants or agreements contained in the merger agreement, which breach cannot be cured, or has not been cured within 30 days after the giving of written notice to the other party of such breach; or
in the event of certain adverse regulatory determinations.
In addition, German American may terminate the merger agreement if the number of outstanding UCBN shares held by persons exercising dissenters rights under Indiana law exceeds a specified amount or if UCBN s consolidated shareholders equity is not maintained at a certain level.

Termination Fee (page 45)

If UCBN s Board should withdraw its recommendation to shareholders of UCBN that they vote in favor of the merger at the special meeting following UCBN s receipt of a proposal from another party to engage in a business combination and the merger agreement is terminated as a result of that change in recommendation, then UCBN would owe German American a termination fee of $600,000.

Interests of Officers and Directors in the Merger That are Different From Yours (page 34)

In considering the recommendation of the board of directors of UCBN to adopt the merger agreement, you should be aware that executive officers and directors of UCBN have (or had) employment and other compensation agreements or plans that give them (or gave them) interests in connection with the merger that may be different from, or in addition to, their interests as UCBN shareholders. These current or former interests and agreements include:

certain pre-existing employment agreements that provide (or that provided) for severance payments and other benefits upon termination for certain reasons (i.e., by the employer without cause or by the employee with cause), including an employment agreement between United Commerce and its

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President and Chief Executive Officer, Thomas Risen, that (prior to any decision or commitment by either German American or UCBN to enter into the merger agreement) was mutually amended and cancelled on July 15, 2013, for which Mr. Risen received a cancellation payment from United Commerce in the amount of $310,000;

subject in each case to (and effective only if) the merger with German American being completed: (1) a Transition Services Agreement between German American Bancorp and Mr. Risen (which provides for certain severance benefits for Mr. Risen if certain conditions are satisfied following the merger); (2) amended employment agreements with each of David Musgrave and Charles Thompson (UCBN s Senior Vice President and Chief Financial Officer and Senior Vice President and Cashier, respectively) (which provide for certain enhanced severance benefits if certain conditions are satisfied following the merger); and (3) a memorandum of understanding with Jerry Towle (UCBN s Senior Vice President and Senior Loan Officer) regarding German American's assumption of Mr. Towle's existing employment agreement;

the accelerated vesting of all outstanding unvested stock options held by UCBN directors and executive officers and the agreement by German American to pay cash in connection with the completion of the merger in cancellation of such options (whether or not now vested) to such directors and executive officers, in amounts designed to give those executives the benefit of the indicated value of the merger transaction (in excess of the applicable exercise price) without their having to pay cash to exercise their options;

the fact that two of the current directors of UCBN will be appointed as compensated members of the North Region Advisory Board of German American s bank subsidiary when the merger is completed; and

rights of UCBN officers and directors to indemnification and directors and officers liability insurance.

Certain Differences in Shareholder Rights (page 53)

When the merger is completed, UCBN shareholders, whose rights are governed by Indiana law and UCBN s articles of incorporation and bylaws, will become German American shareholders and their rights will be governed by Indiana law, and by German American s articles of incorporation and bylaws. Certain differences in the rights of UCBN shareholders in respect of their shares will result.

Dissenters Rights (page 57)

Subject to their having exactly complied with the applicable statutory provisions, shareholders of UCBN are entitled under certain circumstances to exercise dissenters rights provided by Indiana law. Shareholders who have validly exercised dissenters rights are entitled to receive cash in the amount of the court-determined fair value of their UCBN shares immediately prior to the effective time of the merger (excluding any appreciation in value that results from the merger), rather than the consideration to which they would have otherwise been entitled under the merger agreement, if the merger is completed. A copy of the chapter of the Indiana Business Corporation Law pertaining to dissenters rights is attached as Annex C to this proxy statement/prospectus. You should read the statute carefully and consult with your legal counsel if you intend to exercise these rights.

Prohibition on UCBN s Solicitation of Other Offers and Having Discussions with Potential Acquirors (page 41)

The merger agreement prohibits UCBN from soliciting offers from any other party that might also be interested in acquiring UCBN, and from discussing a potential proposal with (including providing information to) any interested third party that might (despite the lack of any solicitation by UCBN) reach out to it with regard to such an alternative proposal to the merger with German American, except to the extent such discussions may be required under fiduciary duties applicable to the UCBN directors under Indiana law.

Change in Recommendation (page 42)

The merger agreement contains provisions that require UCBN s board of directors to submit the merger agreement to consideration by UCBN s shareholders at the special meeting with a favorable recommendation

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of its board of directors. The merger agreement, however, provides that any or all of the members of the board may be excused from the requirement of the merger agreement to recommend the German American merger proposal if their fiduciary duties to shareholders may require that they change their recommendation in a manner that would be adverse to the interests of German American.

Termination of the Merger Agreement (page 44)

UCBN and German American may jointly agree to terminate the merger agreement at any time prior to the filing of the articles of merger with the Indiana Secretary of State with respect to the merger, even after approval by our shareholders of the merger agreement and the merger. In addition, the merger agreement may be terminated at any time prior to the filing of the articles of merger, whether before or after shareholder approval has been obtained, under circumstances as described under The Merger Agreement Termination. Generally, in the absence of a willful breach of the merger agreement by either party, each of German American and UCBN will bear its own expenses in connection with the merger proposal and will not bear any liability to the other party in the event of a termination of the agreement. UCBN would, however, be required to pay to German American a termination fee if the UCBN board of directors, following its receipt of a proposal for a business combination with any third party, were to change its recommendation that UCBN shareholders vote in favor of the merger proposal.

Dividends and Distributions (page 40)

Under the terms of the merger agreement, prior to the closing of the merger, UCBN is prohibited from declaring or paying any cash dividend or other distribution to UCBN shareholders.

Material U.S. Federal Income Tax Consequences of the Merger (page 60)

German American and UCBN expect the merger to qualify as a reorganization for U.S. federal income tax purposes. If the merger qualifies as a reorganization, then, in general, for U.S. federal income tax purposes, as a result of the merger:

UCBN shareholders will recognize gain (but not loss) in an amount not to exceed the cash received as part of the merger consideration and will recognize gain or loss with respect to any cash received in lieu of fractional shares of German American common stock; and
UCBN shareholders will not recognize gain (or loss) as a result of their receiving shares of German American common stock in the merger.

See MATERIAL U.S. FEDERAL INCOME TAX CONSEQUENCES for a summary of the material U.S. federal income tax consequences of the merger and of the material U.S. federal income tax consequences to non-U.S. holders of receiving German American shares pursuant to the merger.

Because individual circumstances may differ, each shareholder should consult the shareholder s tax advisor regarding the applicability of the rules discussed in this proxy statement/prospectus to the shareholder and the particular tax effects to the shareholder of the merger and the holding or disposing of German American shares in light of such shareholder s particular circumstances, the application of state, local and foreign tax laws, and, if applicable, the tax consequences of the transactions described in this proxy statement/prospectus relating to equity compensation and benefit plans.

Special Meeting

Date, Time and Place (page 46)

The special meeting of UCBN shareholders is scheduled to be held at the Bloomington Convention Center, located at 302 South College Avenue in Bloomington, Indiana, at 1:30 p.m., local time, on Friday, September 27, 2013. At the UCBN special meeting, you will be asked to vote on a proposal to approve the merger agreement.

Record Date (page 46)

Only UCBN shareholders of record as of the close of business on August 22, 2013, are entitled to notice of, and to vote at, the UCBN special meeting and any adjournments or postponements of the UCBN special meeting. As of the close of business on the record date, there were 965,333 shares of UCBN outstanding and entitled to vote at the meeting, held by 138 holders of record.

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Attending In Person (page 47)

All UCBN shareholders of record as of the record date for the special meeting may attend the special meeting. WHETHER OR NOT YOU INTEND TO ATTEND THE SPECIAL MEETING, IT IS VERY IMPORTANT THAT YOUR SHARES BE REPRESENTED. Accordingly, please sign, date, and return the enclosed proxy card, which will indicate your vote upon the matters to be considered. If you do attend the special meeting and desire to vote in person, you may do so by withdrawing your proxy at that time.

How to Vote (page 47)

UCBN shareholders may vote their shares at the special meeting:

In Person: by attending the special meeting and voting their shares in person; or

By Mail: by completing the enclosed proxy card, signing and dating it and mailing it in the enclosed post-prepaid envelope.

UCBN s board of directors is asking for your proxy. Giving the UCBN board of directors your proxy means you authorize it to vote your shares at the special meeting in the manner you direct. You may vote for or against the merger proposal, abstain from voting or withhold your vote with respect to the proposal. All shares represented by a valid proxy received prior to the special meeting will be voted, and where a shareholder specifies by means of the proxy a choice with respect to any matter to be acted upon, the shares will be voted in accordance with the specification so made. If no choice is indicated on the proxy, the shares will be voted FOR the adoption of the merger agreement (and related plan of merger) and the approval of the merger, FOR the adjournment proposal and as the proxy holders may determine in their discretion with respect to any other matters that may properly come before the special meeting.

The form of proxy accompanying this proxy statement/prospectus confers discretionary authority upon the named proxy holders with respect to amendments or variations to the matters identified in the accompanying Notice of Special Meeting and with respect to any other matters that may properly come before the special meeting. As of the date of this proxy statement/prospectus, the UCBN board of directors knows of no such amendment or variation or of any matters expected to come before the special meeting that are not referred to in the accompanying Notice of Special Meeting.

Shareholders who hold their shares in street name, meaning the name of a broker, bank or trust company, or other nominee who is the record holder, must either direct the record holder of their shares to vote their shares or obtain a proxy or voting instruction from the record holder to vote their shares at the special meeting.

Changing or Revoking a Proxy (page 48)

Any proxy may be revoked by the person giving it at any time before it is voted. A proxy may be revoked by (i) filing with UCBN s Secretary (211 South College Avenue, Bloomington, Indiana 47404) a written notice of revocation bearing a date later than the date of such proxy, (ii) submitting a subsequent proxy relating to the same shares, or (iii) attending the special meeting and voting in person. Simply attending the special meeting will not constitute revocation of your proxy. If your shares are held in the name of a broker, bank or trust company, or other nominee who is the record holder, you must follow the instruction of your broker, bank or trust company, or other nominee to revoke a previously given proxy.

Quorum (page 46)

The presence, in person or by proxy, of shareholders holding at least a majority of the issued and outstanding shares of UCBN entitled to vote on the record date will constitute a quorum for the special meeting.

Required Votes (page 46)

Holders of a majority of the issued and outstanding shares of UCBN (determined on the record of its shareholders as of August 22, 2013, the record date for the meeting) must vote in favor of the proposal to approve the merger agreement. Approval of the adjournment proposal will require the affirmative vote of a majority of the voting power of the shares of UCBN that are present in person or represented by proxy at the special meeting and entitled to vote on the adjournment proposal.

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As of the record date, there were 965,333 shares of UCBN outstanding. Approval of the merger agreement (and related plan of merger) requires the affirmative vote of holders of at least 482,667 of these shares, representing a majority of the issued and outstanding shares of UCBN common stock as of the record date.

As of the record date, the directors and executive officers of UCBN (and their affiliates), as a group, were entitled to vote (or to direct the vote) (either solely or with others) of 209,229 shares of UCBN common stock, representing approximately 21.7% of the outstanding UCBN shares as of the record date. In addition, German American owned of record as of the record date approximately 4.6% of the outstanding shares of UCBN, and expects to vote those shares in favor of the merger agreement at the special meeting. No approval of the merger or merger agreement by German American s shareholders is required.

Treatment and Effect of Abstentions and Broker Non-Votes (page 47)

A broker non-vote occurs when a broker or its nominee, that holds shares for a customer who is the beneficial owner of the shares, does not vote on a particular proposal because the nominee does not have discretionary voting power with respect to that item and has not received instructions from the beneficial owner. If you are a beneficial owner of shares of UCBN held by a broker or its nominee, you must instruct your nominee how to vote. Your nominee cannot vote your shares on your behalf without your instructions.

Broker non-votes and the shares of UCBN as to which a shareholder abstains will be treated as being present at the special meeting for purpose of determining whether a quorum of shares is present at the special meeting. Because approval of the merger and the adoption of the merger agreement and plan of merger requires the affirmative vote of a majority of the shares of UCBN issued and outstanding as of the record date, abstentions and broker non-votes will have the same effect as a vote AGAINST the adoption of the merger agreement and plan of merger and the approval of the merger.

Cost of Solicitation of Proxies (page 49)

The cost of soliciting proxies related to the special meeting will be borne by UCBN. Some banks and trust companies and brokers have customers who beneficially own UCBN shares listed of record in the names of nominees. UCBN intends to request banks, trust companies and brokers to solicit such customers and will reimburse them for their reasonable out-of-pocket expenses for such solicitations. If any additional solicitation of the holders of UCBN s outstanding shares is deemed necessary, UCBN (through its directors and officers) anticipates making such solicitation directly. The solicitation of proxies by mail may be supplemented by telephone, electronic and personal solicitation by officers, directors and other employees of UCBN, but no additional compensation will be paid to such individuals.

Risk Factors (page 13; Annex D)

In evaluating the merger, the merger agreement and the shares of German American to be received in connection with the merger, you should carefully read this prospectus and especially consider the factors discussed in the section entitled Risk Factors.

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Historical and Equivalent Per Share Stock Market Data

The following table shows the NASDAQ Official Closing Price per German American share and the equivalent market value of the merger consideration (German American shares plus maximum amount of cash) per UCBN share, giving effect to the merger on July 23, 2013, which is the last day on which German American shares traded preceding the public announcement of the proposed merger, and on August 22, 2013, the most recent practicable date prior to the mailing of this proxy statement/prospectus.

	Market Price of German American Shares*	Market Price of UCBN Shares**	Equivalent Per UCBN Share***
July 23, 2013	$ 25.94	$ 9.40	$ 15.90
August 22, 2013	$ 25.79	$ 15.30	$ 15.82

* Represents NASDAQ Official Closing Price (GABC) as of indicated date

** Represents last trade (on August 20, 2013) reported by the Over-the-Counter Bulletin Board (UCBN) of UCBN shares as of indicated date

*** Calculated by (a) multiplying price of German American shares as of the indicated date by the exchange ratio that would have been indicated on both of such dates, had the merger closed on those dates (0.5456) and (b) adding to that result the $1.75 cash amount (subject to possible reduction in accordance with the merger agreement) that is payable by UCBN or by German American in connection with the merger proposal as merger consideration. ***If the merger had closed on August 22, 2013, the cash payment (based on July 31, 2013 UCBN shareholders equity values) would have been $1.53 and the corresponding equivalent per UCBN share would have been 22 cents less than illustrated, or $15.60.***

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RISK FACTORS

In addition to the other information contained in this proxy statement/prospectus or in the documents that are appended hereto as Annexes in the Disclosure Supplement, including the matters addressed under the caption Cautionary Note Regarding Forward-Looking Statements, you should carefully consider the following risk factors in deciding whether to vote in favor of the merger agreement proposal. We have grouped these Risk Factors into two sections Risks Related to the Merger (which are set forth only in this proxy statement/prospectus and are set forth in full text below), and Risks Related to German American (which are other risks related to German American and its shares that are not specifically related to the merger proposal with UCBN and which are separately described by the Risk Factors item, Item 1A, of German American s annual report on Form 10-K for its fiscal year ended December 31, 2012. The Form 10-K report that is included in the separately-bound SEC Reports Annex to this proxy statement/prospectus is delivered with, is incorporated by reference into, and forms part of, this proxy statement/prospectus. We encourage you to review all these Risk Factors before determining how to vote on the merger proposal.

Risks Related to the Merger

Because the Market Price of German American s Shares May Fluctuate and the Closing Value of UCBN s Shareholders Equity is not Presently Determinable, UCBN Shareholders Cannot be Sure of the Value of the Consideration They May Receive.

The exchange ratio at which the number of GABC shares to be exchanged for each share of UCBN may vary between now and the closing within the ranges specified by the merger agreement (subject to customary anti-dilution adjustments), depending upon changes in the trading prices of German American common stock on NASDAQ between the date of this document and the date of closing. Consequently, changes in the price of German American s shares prior to completion of the merger may affect not only the number of German American shares that you may receive in the merger, but will also affect the value of whatever number of shares of German American that UCBN shareholders receive upon completion of the merger. Further, the value of the portion of the merger consideration payable in German American s shares will vary from the date of the announcement of the merger agreement, the date that this proxy statement/prospectus was mailed, the date of the special meeting, the date the merger is completed, the date the merger becomes effective, and thereafter. Stock price changes may result from a variety of factors, including general market and economic conditions, changes in the respective businesses, operations and prospects, and regulatory considerations of UCBN and German American. Many of these factors are beyond UCBN s and German American s control. Further, the cash payment payable as part of the merger consideration is subject to reduction if, and to the extent that, UCBN s consolidated common shareholders equity is not at or above a certain level, when measured as of the closing date. Accordingly, at the time of the special meeting, you will not know or be able to determine the value of the German American common shares or the amount of the cash payment you may receive upon completion of the merger.

UCBN Shareholders Will Have a Reduced Ownership and Voting Interest in the Combined Company After the Merger and Will Exercise Less Influence Over Management.

UCBN shareholders currently have the right to vote in the election of the board of directors of UCBN and on other matters affecting UCBN. Upon the completion of the merger, each UCBN shareholder will become a shareholder of German American with a percentage ownership of German American that is smaller than the shareholder s percentage ownership of UCBN. It is currently expected that the former shareholders of UCBN as a group will not receive shares in the merger that constitute significantly more than four percent of the outstanding shares of German American immediately after the merger. Because of this, UCBN shareholders may have less influence on the management and policies of German American than they now have on the management and policies of UCBN.

German American May Fail to Realize the Anticipated Benefits of the Merger.

The success of the merger will depend on, among other things, German American s ability to realize anticipated cost savings and to combine the businesses of its bank subsidiary with that of United Commerce in a manner that permits growth opportunities and does not materially disrupt the existing customer relationships

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of United Commerce nor result in decreased revenues due to any loss of customers. If German American is not able to successfully achieve these objectives, the anticipated benefits of the merger may not be realized fully or at all or may take longer to realize than expected.

German American and UCBN have operated and, until the completion of the merger, will continue to operate, independently. Upon closing of the merger, German American will commence the process of integrating the operations of the two banks. It is possible that the integration process could result in the disruption of German American s or UCBN s ongoing businesses or cause inconsistencies in standards, controls, procedures and policies that adversely affect the ability of German American to maintain relationships with UCBN s customers and employees or to achieve the anticipated benefits of the merger.

Regulatory Approvals May Not Be Received, May Take Longer than Expected or May Impose Conditions that Are Not Presently Anticipated or Cannot Be Met.

Before the transactions contemplated in the merger agreement, including the merger, may be completed, various approvals must be obtained from the bank regulatory authorities. These authorities may impose conditions on the completion of the merger or require changes to the terms of the merger agreement. Although the parties do not currently expect that any such conditions or changes would be imposed, there can be no assurance that they will not be, and such conditions or changes could have the effect of delaying completion of the transactions contemplated in the merger agreement or imposing additional costs on or limiting German American s revenues, any of which might have a material adverse effect on German American following the merger. There can be no assurance as to whether the regulatory approvals will be received, the timing of those approvals, or whether any conditions will be imposed.

The Merger Agreement May Be Terminated in Accordance with Its Terms and the Merger May Not Be Completed.

The merger agreement is subject to a number of conditions that must be fulfilled (unless waived in certain cases by the party entitled to the benefit of such condition) in order to complete the merger. Those conditions include: approval of the merger agreement by UCBN shareholders, regulatory approvals, absence of orders prohibiting the completion of the merger, effectiveness of the registration statement of which this proxy statement/prospectus is a part, the continued accuracy of the representations and warranties by both parties and the performance by both parties of their covenants and agreements, and the receipt by both parties of a tax opinion from German American s tax counsel. There can be no assurance that the conditions to closing of the merger will be fulfilled or that the merger will be completed.

Termination of the Merger Agreement Could Negatively Impact UCBN.

If the merger agreement is terminated, there may be various consequences, including:

UCBN s businesses may have been adversely impacted by the failure to pursue other beneficial opportunities due to the focus of management on the merger, without realizing any of the anticipated benefits of completing the merger; and

the market price of UCBN shares might decline to the extent that the current market price reflects a market assumption that the merger will be completed.

If the merger agreement is terminated and UCBN s board of directors seeks another merger or business combination, UCBN shareholders cannot be certain that UCBN will be able to find a party willing to offer equivalent or more attractive consideration than the consideration German American has agreed to provide in the merger.

If the merger agreement is terminated under certain circumstances, UCBN may be required to pay a termination fee of $600,000 to German American. See THE MERGER AGREEMENT Termination; Termination Fee beginning on page 37.

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Risks Relating to German American

You should also consider the other risk factors that may affect German American and its common shares that are not specifically related to the proposed merger with UCBN. These other risk factors are set forth by German American from time to time under the caption Risk Factors in German American s filings with the SEC, including German American s most recent Annual Report on Form 10-K for the fiscal year ended December 31, 2012 and its subsequent Quarterly Reports on Form 10-Q filed during 2013. For information about how you may obtain these reports or view them for free, and for additional information about German American, please see the sources described in Where You Can Find More Information.

The Risk Factors set forth relating to German American and its common shares that are disclosed under Item 1A of German American s Annual Report on Form 10-K for its fiscal year ended December 31, 2012, are specifically incorporated by reference in this proxy statement/prospectus. This Form 10-K report is Appendix D to this proxy statetment/prospectus, which Appendix D is found in the separately-bound SEC Reports Annex to this proxy statement/prospectus.

These risks are not the only risks that German American faces. Additional risks not presently known to German American, or that German American currently views as immaterial, may also impair German American s business, If any of the risks described in German American s SEC filings or any additional risks actually occur, German American s business, financial condition, results of operations and cash flows could be materially and adversely affected. In that case, the value of its securities could decline substantially and you could lose all or part of your investment.

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CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This document, including the documents attached to this document, may contain forward-looking statements, including forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These forward-looking statements include, but are not limited to, (i) the financial condition, results of operations and business of German American and UCBN; (ii) statements about the benefits of the merger, including future financial and operating results, cost savings, enhancements to revenue and accretion to reported earnings that may be realized from the merger; (iii) statements about the parties respective plans, objectives, expectations and intentions and other statements that are not historical facts; and (iv) other statements identified by words such as expects, anticipates, intends, plans, believes, seeks, estimates, or words of similar meaning. These forward-looking statements are ba current beliefs and expectations of our management and are inherently subject to significant business, economic and competitive uncertainties and contingencies, many of which are beyond our control. In addition, these forward-looking statements are subject to assumptions with respect to future business strategies and decisions that are subject to change.

The following factors, among others, could cause actual results to differ materially from the anticipated results or other expectations expressed in the forward-looking statements:

changes in general economic conditions in the areas in which German American and UCBN operate and the risk that a renewed economic slowdown could adversely affect credit quality and loan originations;
German American s business may not be combined with UCBN s business as successfully as planned, or such combination may take longer to accomplish than expected;
the growth opportunities and cost savings from the merger may not be fully realized or may take longer to realize than expected;
operating costs, customer losses and business disruption following the merger, including adverse effects of relationships with employees, may be greater than expected;
governmental approvals of the merger may not be obtained, or adverse regulatory conditions may be imposed in connection with governmental approvals of the merger;
adverse governmental or regulatory policies may be enacted;
the interest rate environment may change, causing margins to compress and adversely affecting net interest income; and
competition from other financial services companies in our markets.

Additional factors that could cause actual results to differ materially from those expressed in the forward-looking statements are discussed in German American s reports filed with the SEC, including on pages 11 through 15 of German American s Annual Report on Form 10-K for its fiscal year ended December 31, 2012, which pages are specifically incorporated by reference in this proxy statement/prospectus. This Form 10-K report is appended to this proxy statement/prospectus as Appendix D, which is found in the separately-bound SEC Reports Annex to this proxy statement/prospectus which is delivered with, is incorporated by reference into, and forms part of, this proxy statement/prospectus.

All subsequent written and oral forward-looking statements concerning the proposed transaction or other matters attributable to either German American or UCBN or any person acting on their behalf are expressly qualified in their entirety by the cautionary statements above. Neither German American or UCBN undertakes any obligation to update any forward-looking statement to reflect circumstances or events that occur after the date the forward-looking statements are made.

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INFORMATION ABOUT GERMAN AMERICAN AND UCBN

German American

Overview

German American is a financial services holding company based in Jasper, Indiana. German American was incorporated under Indiana law in 1982. It is registered as a bank holding company with the Board of Governors of the Federal Reserve System under the Bank Holding Company Act of 1956, as amended.

German American s primary activity consists of owning and supervising German American Bancorp, which is a commercial bank organized under Indiana law, and that bank s subsidiaries. German American s bank subsidiary was chartered in 2006 as a result of a consolidation of six affiliated Indiana state banks that were then separately incorporated and owned by German American. The bank subsidiary traces its roots to The German American Bank, which was (until the 2006 consolidation transaction) a state-chartered bank that was incorporated in 1910 and headquartered in Jasper, Indiana.

German American (through its bank subsidiary) operates 35 banking offices (including two branches in the Bloomington, Indiana metropolitan area) in thirteen Southern Indiana counties. German American indirectly owns a trust, brokerage, and financial planning subsidiary (German American Financial Advisors & Trust Company) that operates from German American s banking offices and a full line property and casualty insurance agency (German American Insurance, Inc.) with eight insurance agency offices throughout German American s market area.

Throughout this prospectus/proxy statement, when we use the term German American, we will usually be referring to the business and affairs (financial and otherwise) of German American Bancorp, Inc., and its consolidated subsidiaries as a whole. Occasionally, we will use the terms parent company or holding company in reference to German American when we mean to refer only to German American Bancorp, Inc., or to the term bank subsidiary when we mean to refer only to German American s bank subsidiary.

German American s lines of business include retail and commercial banking, mortgage banking, comprehensive financial planning, full service brokerage and trust administration, and a full range of personal and corporate insurance products. Financial and other information by segment is included in Note 15 Segment Information of the Notes to the Consolidated Financial Statements included in Item 8 of German American s Annual Report on Form 10-K for the year ended December 31, 2012. This Form 10-K report is appended to this proxy statement/prospectus as Appendix D, which is found in the separately-bound SEC Reports Annex to this proxy statement/prospectus which is delivered with, is incorporated by reference into, and forms part of, this proxy statement/prospectus. As of June 30, 2013, German American had total deposits of approximately $1.6 billion, total loans of approximately $1.2 billion, total assets of approximately $2.0 billion and total shareholders equity of approximately $182 million.

German American s principal executive offices are located at 711 Main Street, Jasper 47546-0810, and its telephone number at that address is (812) 482-1314. German American maintains an Internet website at *www.germanamerican.com*. The foregoing website address is intended to be an inactive textual reference only. The information on this website is not a part of this proxy statement/prospectus.

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Market and Dividend Information

Shares of German American are traded on NASDAQ s Global Select Market under the symbol GABC. The quarterly high and low closing prices for the Company s common stock as reported by NASDAQ and quarterly cash dividends declared and paid for the periods indicated are set forth in the table below.

	High	Low	Dividend
For the periods ended:			
2013			
First Quarter	$ 24.09	$ 21.44	$ 0.15
Second Quarter	23.04	19.90	0.15
Third Quarter (through August 22, 2013)	28.15	22.88	0.15
2012			
First Quarter	$ 21.74	$ 18.43	$ 0.14
Second Quarter	20.50	17.94	0.14
Third Quarter	24.89	19.76	0.14
Fourth Quarter	24.10	19.98	0.14
2011			
First Quarter	$ 18.88	$ 16.00	$ 0.14
Second Quarter	17.58	15.61	0.14
Third Quarter	17.50	14.65	0.14
Fourth Quarter	19.49	15.28	0.14

German American s shares were held of record by approximately 3,884 shareholders at August 12, 2013.

Cash dividends paid to German American s shareholders are primarily funded from dividends received by the parent company from its bank subsidiary. The declaration and payment of future dividends will depend upon the earnings and financial condition of German American and its subsidiaries, general economic conditions, compliance with regulatory requirements affecting the ability of the bank subsidiary and German American to declare dividends, and other factors.

Other Information

Financial and other information about German American and its shares is included in German American s reports and statements that German American has filed with the Securities and Exchange Commission. Certain of these reports and statements are identified in the Table of Contents and are appended to this proxy statement/prospectus in the separately-bound SEC Reports Annex to this proxy statement/prospectus. The information included in the German American reports and statements that are included in the SEC Reports Annex is incorporated by reference into, and forms part of, this proxy statement/prospectus, including but not limited to the following information:

From the Annual Report on Form 10-K filed by German American for the Fiscal Year Ended December 31, 2012:

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From the Quarterly Report on Form 10-Q filed by German American for the Fiscal Quarter Ended June 30, 2103

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Item 2.

Management s Discussion and Analysis of Financial Condition and Results of Operations

Item 3.

Quantitative and Qualitative Disclosures About Market Risk

From the Proxy Statement included in the definitive proxy materials filed by German American as part of Schedule 14A for the Annual Meeting of Shareholders held May 16, 2013:

The information incorporated by reference from the Proxy Statement into the German American Form 10-K Annual Report for the Fiscal Year Ended December 31, 2012, in response to the following items of such Annual Report on Form 10-K:

º Item 10. Directors, Executive Officers, and Corporate Governance
º Item 11. Executive Compensation
º Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters
º Item 13. Certain Relationships and Related Transactions, and Director Independence
º Item 14. Principal Accounting Fees and Services

Since December 31, 2012, there has not been any material changes in German American s affairs that have not been described in the three reports and statements identified above that are included in the SEC Reports Annex, except that German American s shareholders re-elected the four persons who were nominated for re-election as directors of German American at the annual meeting of shareholders held May 16, 2013, and who were identified as nominees in German American s proxy statement for that meeting, and Richard Forbes resigned from the board of directors of German American in June 2013.

UCBN

Overview

UCBN, through its wholly owned subsidiary, United Commerce, provides a full range of commercial and consumer banking services in the Bloomington, Indiana, area, from two banking offices located on the east and central areas of the city. At June 30, 2013, UCBN reported total deposits of approximately $113 million, total loans of approximately $87 million, total assets of approximately $128 million, and total shareholders equity of approximately $14 million.

UCBN s principal executive offices are located at 211 South College Avenue, Bloomington, Indiana 47404, and its telephone number at that address is (812) 336-2265. UCBN maintains an Internet website at *www.unitedcommercebank.com*. The foregoing website address is intended to be an inactive textual reference only. The information on this website is not a part of this proxy statement/prospectus.

Market and Dividend Information

Shares of UCBN are neither traded on an exchange nor listed on the NASDAQ Stock Market. Brokers and dealers from time to time enter bid and asked quotations for shares of UCBN on the Over-the-Counter Bulletin Board (OTCBB). Quotations, if any, and transaction information for the shares of UCBN can be viewed on the Internet at *www.otcbb.com* by entering the symbol UCBN or on other Internet quotation services by entering the symbol UCBN.OB. As of August 22, 2013, there were approximately 138 holders of record of UCBN s shares. These numbers do not reflect the number of persons or entities who may hold their shares in nominee or street name through brokerage or other accounts.

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The merger agreement prohibits UCBN from paying cash dividends on UCBN shares pending consummation of the merger. See THE MERGER AGREEMENT UCBN Restrictions.

The table below sets forth, for the calendar quarters indicated, the high and low reported closing prices for shares of UCBN as provided by OTCBB:

	High	Low	Dividend
For the periods ended:			
2013			
First Quarter	$ 9.95	$ 8.25	$ 0
Second Quarter	10.65	9.00	0
Third Quarter (through August 22, 2013)	15.70	9.30	0
2012			
First Quarter	$ 10.01	$ 6.50	$ 0
Second Quarter	10.01	7.00	0
Third Quarter	8.01	7.25	0
Fourth Quarter	8.65	8.00	0
2011			
First Quarter	$ 11.50	$ 9.75	$ 0
Second Quarter	10.50	7.79	0
Third Quarter	8.00	7.50	0
Fourth Quarter	8.50	7.50	0

On August 22, 2013, the last full trading day prior to printing of this proxy statement prospectus, the closing price of UCBN s shares (last trade on August 20, 2013) was $15.30. On July 23, 2013, the last full trading day prior to the public announcement of the entry into the agreement with German American, the closing price of UCBN s shares was $9.40.

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THE MERGER

Background of the Merger

As part of its ongoing consideration and evaluation of UCBN s long-term prospects and strategies, the board of directors of UCBN has periodically discussed and reviewed strategic opportunities to maximize value for its shareholders. These opportunities have included, among other alternatives, continuing as an independent institution, growing internally, or merging with another institution.

Through 2008, UCBN s board of directors had concluded that UCBN s shareholders, customers, and employees were best served by United Commerce remaining an independent financial institution. However, in early 2009, UCBN received an unsolicited indication of interest to be acquired by a significantly larger financial institution. The UCBN board engaged Renninger & Associates, LLC (Renninger) as its financial advisor to assist in evaluating this indication of interest. After considerable due diligence and discussion, mutually acceptable terms could not be reached and discussions ended.

The prolonged regional and national economic downturn, which began in 2007, had a profound impact on financial institutions of all sizes, including United Commerce. In the case of United Commerce, pressures arising from the economic downturn adversely affected its commercial borrowers and the commercial real estate market, which reduced the value of the collateral securing many of its commercial loans. These events, in turn, increased United Commerce s regulatory capital requirements and regulatory compliance expenses, which resulted in uncharacteristically large loan loss provisions, increased nonperforming assets, decreased loan originations, diminished growth opportunities, and lower earnings in 2009 and 2010 compared to 2008.

As a result of these factors and their adverse impact on United Commerce s financial performance, the board of directors of United Commerce entered into a memorandum of understanding with the Federal Deposit Insurance Corporation (FDIC) and the Indiana Department of Financial Institutions (IDFI) on July 20, 2010. The memorandum of understanding required, among other things, that United Commerce develop plans to improve its capital ratios, reduce its classified assets, and improve its earnings. The memorandum of understanding also prohibited United Commerce from declaring or paying dividends to UCBN without prior regulatory approval. In light of this regulatory action and in response to UCBN s challenging position, UCBN s board of directors began to implement a number of initiatives to increase earnings, decrease operating expenses, improve asset quality, and bolster United Commerce s capital position.

In early 2011, the same financial institution that expressed interest in acquiring UCBN in 2009 once more expressed interest in engaging in a potential transaction with UCBN. The UCBN board of directors again retained Renninger to evaluate this expression of interest, and also directed Renninger to solicit competing indications of interest from other financial institutions. In response, Renninger contacted 20 other potential acquirors of which two financial institutions submitted preliminary indications of interest to acquire UCBN that the UCBN board of directors deemed acceptable. While German American was included among the 20 potential acquirors contacted by Renninger, German American did not submit an indication of interest at this time. The two financial institutions that did submit acceptable preliminary indications of interest completed their due diligence reviews of United Commerce during 2011, but neither submitted an offer to acquire UCBN that was acceptable to the UCBN board of directors, and discussions with both financial institutions ended.

UCBN s financial difficulties continued during 2011 despite its ongoing efforts to improve its financial performance, and UCBN experienced an annual net loss that year for the first time since soon after its organization in 2000. Because of these continuing financial difficulties, United Commerce entered into a consent agreement on September 12, 2011 with the FDIC and IDFI. The consent agreement required, among other things, that United Commerce develop plans to improve its capital ratios, reduce its classified assets, improve its earnings, and refrain from declaring or paying dividends to UCBN without prior regulatory approval. Management s actions ultimately resulted in improved performance for UCBN during 2012 and year-to-date 2013 primarily due to reduced provisions for loan losses and improved capital ratios, which were achieved largely by shrinking United Commerce s balance sheet through net loan repayments and deposit run-off. As a result of these improvements, the FDIC and IDFI terminated the consent agreement on August 22, 2012 and terminated the memorandum of understanding in July 2013.

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While these efforts by management stabilized United Commerce s capital position and improved its performance in 2012, its opportunities for additional earnings growth, consistent with the rest of the banking industry, remained constrained due to weak loan demand, low interest rates, higher capital requirements, increased regulatory costs, and a limited field of attractive acquisition opportunities. As a result, the operating environment for UCBN continued to be challenging during 2012.

During the fourth quarter of 2012, German American approached UCBN to discuss engaging in a potential merger transaction. The UCBN board of directors determined that, in light of Renninger s recent exploration of potential merger candidates and the ongoing financial and regulatory challenges facing UCBN, it was in the best interest of the UCBN shareholders to discuss a potential merger with German American without re-soliciting the financial institutions it had previously contacted. German American completed its due diligence review of UCBN during the first quarter of 2013, and on April 6, 2013 verbally indicated an interest in acquiring UCBN in an all-stock transaction specifying a fixed exchange ratio that was valued at approximately $12.50 per share at that time. The UCBN board rejected German American s proposal as inadequate and requested that German American submit a revised offer.

On May 6, 2013, German American submitted a letter of intent to acquire UCBN that increased its previous offer by $0.75 in cash per UCBN share. This revised offer also provided for an additional contingent payment to UCBN shareholders two years following the consummation of the merger that would be based upon after-tax collections by German American on certain loans originated by UCBN prior to the merger. The UCBN board of directors considered this contingent payment to be too speculative and the two-year period over which it would be determined to be too long. Accordingly, the UCBN board requested that German American submit a revised offer omitting the contingent payment and increasing the cash component instead.

On May 18, 2013, German American submitted a revised draft letter of intent providing for a variable exchange ratio which would adjust the number of German American shares to be issued for each UCBN share based upon the market price of German American common stock, plus a cash payment of $1.75 per UCBN share. This variable exchange ratio would provide for German American to issue not fewer than 0.5456 shares and not more than 0.6667 shares of German American common stock for each share of UCBN common stock. This ratio assumes a market price of German American common stock between $18.75 and $22.91 per share, and is designed to fix the market value of the German American common stock to be issued to UCBN shareholders at $12.50 per share within that range. To the extent the market value of German American common stock falls below $18.75 per share, the value of the German American common stock received by UCBN shareholders would decrease to an amount less than $12.50, and to the extent the market value of German American common stock exceeds $22.91 per share, the value of German American common stock received by UCBN shareholders would increase to an amount greater than $12.50.

The UCBN board of directors met on May 20, 2013 to discuss the revised letter of intent. After careful consideration of the proposed terms set forth in the letter of intent and the other strategic options available to UCBN at the time, including the likely inability of other potential acquirors to make a superior offer, UCBN s management determined that the proposal set forth in the revised letter of intent was the highest and best offer German American was likely to make and the highest and best offer UCBN was likely to receive from a potential acquiror, and that it was in the best interests of UCBN s shareholders to approve the letter of intent. On this basis, UCBN s board approved the letter of intent at the meeting.

Following UCBN s execution of the letter of intent, counsel for German American submitted a draft definitive merger agreement to UCBN and its counsel, Barnes & Thornburg, on May 31, 2013 based upon the terms set forth in the letter of intent. During the next two weeks, UCBN, Renninger and Barnes & Thornburg conducted a thorough review of the draft merger agreement and analyzed numerous issues relating to the proposed transaction, including employee benefits and executive compensation issues, termination provisions, and tax issues. UCBN sent its revisions to the draft merger agreement to German American on June 12, 2013. At that time, UCBN, German American, and their respective legal counsels also began preparing the disclosure schedules to the merger agreement.

Following several exchanges of the draft merger agreement, the UCBN Board, at a special meeting held on July 9, 2013, at which Barnes & Thornburg and Renninger participated, reviewed a substantially final draft of the merger agreement. The draft merger agreement provided for the payment to UCBN shareholders of

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merger consideration consistent with the merger consideration set forth in the letter of intent, but also provided for the cash portion of the merger consideration to be reduced in the event that UCBN s Effective Time Book Value (as defined in the merger agreement) does not exceed $14.265 million. The draft merger agreement also provided that, in the event that this adjustment reduces the cash portion of the merger consideration to zero, additional reductions could be made to the stock portion of the merger consideration. A representative of Barnes & Thornburg led a discussion at the meeting regarding the provisions of the draft merger agreement and responded to numerous questions from directors. In addition, a representative of Renninger provided a detailed analysis of the financial aspects of the proposed merger and orally delivered its opinion (subsequently confirmed in writing) that the merger consideration provided in the draft merger agreement was fair, from a financial point of view, to UCBN s shareholders.

Following this discussion, the UCBN board directed Renninger and Barnes & Thornburg to attempt to negotiate revisions to the draft merger agreement which would eliminate adjustments to the stock component of the merger consideration in the event that a deficiency in UCBN s Effective Time Book Value were to reduce the cash portion of the merger consideration to zero. The board also requested that Renninger and Barnes &Thornburg attempt to negotiate a reduction in the dollar amount of the Effective Time Book Value in the draft merger agreement in light of recent reductions to the value of United Commerce s bond portfolio resulting from recent general increases in market interest rates.

On July 16, 2013 at a regular meeting of the UCBN board, the directors reviewed a revised draft of the merger agreement that incorporated their comments from the July 9 meeting. In particular, the latest draft of the merger agreement provided for an adjustment to the cash portion of the merger consideration in the event that UCBN s Effective Time Book Value is less than $14.0 million, inclusive of accumulated other comprehensive income (loss), or less than $14.287 million, exclusive of accumulated other comprehensive income (loss). The revised merger agreement also eliminated the provision in the prior draft which provided for the stock portion of the merger consideration to be reduced in the event that the cash portion is reduced to zero. In that event, the revised merger agreement permits German American to elect not to close the merger transaction instead.

Following a discussion of these revisions, the directors also reviewed an email from Renninger dated July 15, 2013 reiterating the fairness opinion delivered to the board at its July 9 special meeting. The board then approved the draft merger agreement and authorized the President of UCBN to execute the merger agreement at a later date, provided that Renninger confirms, as of the date of execution, the fairness opinion delivered at the board s July 9 special meeting and reiterated in Renninger s July 15 email. On July 23, 2013, Renninger confirmed its fairness opinion as of that date, and Thomas Risen executed the merger agreement for and on behalf of UCBN and United Commerce.

Throughout the time period described above, German American s executive officers (as authorized and directed by German American s board of directors) engaged in discussions and negotiations with UCBN s executive officers and its financial and legal advisors. German American s board of directors met several times with respect to these negotiations, culminating in the regular meeting held June 24, 2013, at which the board approved the merger agreement and the proposed merger, and authorized German American and its bank subsidiary to execute and deliver it to UCBN and United Commerce. For a discussion of the reasons of German American for the proposed merger, see THE MERGER Reasons for the Merger German American.

The definitive merger agreement was executed by representatives of UCBN and German American and delivered between the parties after the official close of the stock market on July 23, 2013, and a press release announcing the execution of the definitive merger agreement was issued that evening.

Reasons for the Merger UCBN

UCBN s board of directors has determined that the merger agreement and the merger are in the best interests of UCBN and its shareholders and recommends that UCBN s shareholders vote FOR the approval of the merger agreement and the transactions contemplated by the merger agreement.

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In its deliberations and in making its determination, UCBN s board of directors considered many factors including, without limitation, the following:

the business, earnings, operations, financial condition, management, prospects, capital levels, and asset quality of both German American and UCBN;
the current and prospective business and economic environments in which UCBN operates, including challenging national, regional, and local economic conditions, the competitive environment for Indiana financial institutions characterized by intensifying competition from out-of-state financial institutions, the continuing consolidation of the financial services industry, the increased regulatory burdens on financial institutions, and the uncertainties in the regulatory climate going forward;
UCBN s belief that UCBN needs to grow to be in a position to deliver a competitive return to its shareholders;
German American s ability and resources to negotiate, execute, and close, and conduct due diligence in connection with, a definitive merger agreement in a timely manner;
UCBN s board s belief that, after consideration of potential alternatives, including the likely inability of other potential strategic partners to consummate a transaction on terms superior to those offered in the merger agreement, the merger is expected to provide greater benefits to UCBN s shareholders than the range of possible alternatives, including continuing to operate UCBN on a stand-alone basis or pursuing a transaction with another financial institution;
investors remaining focused on the trading liquidity of a bank s shares and generally valuing companies with greater market capitalizations with higher valuations;
UCBN s below tangible book valuation based upon recent trading prices for UCBN common stock;
the likelihood that the alternative of a common equity raise would be dilutive to UCBN s existing shareholders and that there are few uses for additional capital given the lack of significant growth opportunities;
German American s greater access to capital and managerial resources relative to that of UCBN;
the benefits of being part of a larger and more diversified combined financial institution and the risks of continuing to be an independent company, given the limited liquidity of UCBN s common stock and UCBN s limited access to capital relative to German American;
the perceived compatibility of the business philosophies and cultures of UCBN and German American, which UCBN s board believes will facilitate the integration of the operations of the two companies;
the board s desire to provide UCBN s shareholders with the prospects for greater future appreciation on their investments in UCBN common stock than the amount the board of directors believes UCBN could achieve independently;
the board s desire to provide UCBN s shareholders with a cash dividend and greater future prospects for increases in that cash dividend (based on the Exchange Ratio, UCBN s pro forma equivalent annual cash dividend would be $0.33 per share, compared to no dividend being paid by UCBN since its founding in 2000);
the expectation that the historical liquidity of German American s stock will offer UCBN shareholders the opportunity to participate in the growth and opportunities of German American by retaining their German American stock following the merger, or to exit their investment, should they prefer to do so;
the financial and other terms and conditions of the merger agreement, including the fact that the Exchange Ratio (assuming no adjustments) represents approximately 114.7% of UCBN s tangible book value as of the date of the merger agreement;

the fact that the value of the merger consideration prior to the public announcement of the merger represented a significant premium over recent trading prices for UCBN common stock;

the overall greater scale that will be achieved by the merger that will better position the combined company for future growth;

German American s long-term growth strategy in Southern Indiana;

the common goal of UCBN and German American to serve the commercial banking needs of the Greater Bloomington market;

the historical and current market prices of German American and UCBN common stock;

the fact that UCBN s shareholders would own approximately 3.8% of the issued and outstanding shares of common stock of the combined company, on a pro forma basis;

the financial analyses prepared by Renninger & Associates, LLC, UCBN s financial advisor, and the opinion dated as of July 23, 2013, delivered to UCBN s board by Renninger & Associates, LLC, to the effect that the consideration to be paid or delivered to UCBN s shareholders is fair, from a financial point of view, to UCBN s shareholders;

the interests of UCBN s directors and executive officers in the merger, in addition to their interests generally as shareholders, as described under Interests of Certain Directors and Officers of UCBN in the Merger;

the likelihood that the regulatory approvals necessary to complete the transaction would be obtained;

the effect of the merger on UCBN s and United Commerce Bank s employees, including the prospects for continued employment and the severance and other benefits agreed to be provided by German American to UCBN employees; and

the effect of the merger on UCBN s and United Commerce Bank s customers and the communities in which they conduct business.

The foregoing discussion of the factors considered by the UCBN board of directors is not intended to be exhaustive, but rather includes the material factors considered by the UCBN board of directors. In reaching its decision to approve the merger agreement, the merger, and the other transactions contemplated by the merger agreement, the UCBN board of directors did not quantify or assign any relative weights to the factors considered, and individual directors may have given different weights to different factors. The UCBN board of directors considered all these factors as a whole, including discussions with, and questioning of, UCBN s management and UCBN s financial and legal advisors, and overall considered the factors to be favorable to, and to support, its determination. The UCBN board of directors also relied on the experience of Renninger & Associates, LLC, as its financial advisor, for analyses of the financial terms of the merger and for its opinion as to the fairness, from a financial point of view, of the Consideration to be received by the holders of UCBN common stock.

For the reasons set forth above, the UCBN board of directors unanimously determined that the merger, the merger agreement, and the transactions contemplated by the merger agreement are advisable and in the best interests of UCBN and its shareholders, and unanimously approved and adopted the merger agreement. The UCBN board of directors unanimously recommends that UCBN shareholders vote FOR approval of the merger agreement and the merger.

Reasons for the Merger German American

In deciding to approve the merger with UCBN, German American s board of directors considered a number of factors, including:

the expected benefit to German American s existing and future banking customers resulting from the expansion of its banking operations in the North Region of its Southern Indiana banking footprint, as well as the opportunity for future operating efficiencies as a result of the combination of UCBN and German American;

the strength of United Commerce s community banking orientation and the quality of its management, employees and board leadership;

the results of management s review of the business, operations, earnings, and financial condition, including capital levels and asset quality of UCBN;

the fairness of the terms of the proposed merger to German American from a financial point of view; and

management s belief, based on historical information with respect to United Commerce s business, earnings, operations, financial condition, prospects, capital levels and asset quality, that the combined banking company has the ability to grow in Bloomington as an independent community financial institution that will be positioned to expand in Bloomington and surrounding markets in order to take advantage of multiple strategic options in the future.

Opinion of Financial Advisor to UCBN

UCBN retained Renninger & Associates, LLC to serve as its financial advisor and provide a fairness opinion in connection with the Merger. As part of its investment banking business, Renninger & Associates, LLC is regularly engaged in the valuation of financial institutions and their securities in connection with mergers and acquisitions, and valuations for other purposes.

On July 9, 2013, the board of directors of UCBN met to evaluate the proposed Merger and the terms of the draft Merger Agreement. At this meeting, Renninger & Associates, LLC rendered its oral opinion that the merger consideration provided in the draft Merger Agreement was fair, from a financial point of view, to UCBN s shareholders. Renninger & Associates, LLC reiterated this oral opinion by email to the board of directors prior to the board s approval of the Merger Agreement at its regular meeting on July 16, 2013, and again on July 23, 2013, prior to UCBN s execution of the Merger Agreement. Renninger & Associates, LLC confirmed in writing on August 19, 2013, that, as of that date and based upon and subject to various assumptions, matters considered, and limitations on Renninger & Associates, LLC s review described in the opinion, the Merger Consideration set forth in the Merger Agreement was fair, from a financial point of view, to the existing shareholders of UCBN common stock. Renninger & Associates, LLC s opinion was based on their experience as investment bankers, their activities as described below, and all other factors Renninger & Associates, LLC deemed relevant. No limitations were imposed by UCBN on Renninger & Associates, LLC with respect to the investigations made or the procedures followed in rendering its opinion.

The full text of Renninger & Associates, LLC s written opinion to UCBN s board of directors, dated August 19, 2013, which sets forth the assumptions made, matters considered and extent of review by Renninger & Associates, LLC, is attached as Annex B to this proxy statement/prospectus and is incorporated herein by reference. You should read the fairness opinion carefully and in its entirety. The following summary of Renninger & Associates, LLC s opinion is qualified in its entirety by reference to the full text of the opinion. Renninger & Associates, LLC s opinion is directed to UCBN s board of directors and does not constitute a recommendation to any shareholder of UCBN as to how a shareholder should vote with regard to the Merger at the UCBN Special Meeting described in this proxy statement/prospectus. The opinion addresses only the fairness to existing UCBN shareholders, from a financial point of view, of the Merger Consideration set forth in the Merger Agreement. The opinion does not address the relative merits of the Merger or any alternatives to the Merger, the underlying decision of UCBN s board of directors to approve or proceed with or effect the Merger, or any other aspect of the Merger. No opinion was expressed by Renninger & Associates, LLC as to whether any alternative transaction might produce Merger Consideration for the holders of UCBN s common stock in an amount in excess of that contemplated in the Merger.

Renninger & Associates, LLC has consented to the inclusion of its opinion and to the inclusion of the summary of its opinion in this proxy statement/prospectus. In giving such consent, Renninger & Associates, LLC does not concede that it comes within the category of persons whose consent is required under the Securities Act of 1933, as amended

(Securities Act), or the rules and regulations of the Securities and Exchange Commission thereunder, nor does it concede that it is an expert within the meaning of the term

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expert as used in the Securities Act or the rules and regulations of the Securities and Exchange Commission thereunder with respect to any part of the registration statement on Form S-4 of which this proxy statement/prospectus forms a part.

By letter dated December 7, 2012, UCBN retained Renninger & Associates, LLC to act as its financial advisor and provide a fairness opinion in connection with the Merger. Renninger & Associates, LLC, as part of its investment banking business, is regularly engaged in the valuation of financial institutions and their securities in connection with mergers and acquisitions and other corporate transactions.

Renninger & Associates, LLC acted as financial advisor to UCBN in connection with the proposed transaction and participated in certain of the negotiations leading to the execution of the Merger Agreement. At a meeting of UCBN s board of directors on July 9, 2013, UCBN s board reviewed the Merger Agreement and Renninger & Associates, LLC delivered to the board its oral opinion, which it confirmed by email on July 15 and July 23, 2013, and its written opinion on August 19, 2013, that, as of such date, the Exchange Ratio of 0.5456 shares of German American common stock for each share of UCBN common stock plus $1.71 in cash (based on consolidated total shareholders equity at June 30, 2013) was fair to the holders of UCBN common stock from a financial point of view.

The full text of Renninger & Associates, LLC s written opinion dated August 19, 2013 is attached as Annex B to this proxy statement/prospectus. The opinion outlines the procedures followed, assumptions made, matters considered and qualifications and limitations on the review undertaken by Renninger & Associates, LLC in rendering its opinion. The description of the opinion set forth below is qualified in its entirety by reference to the opinion. UCBN shareholders are urged to read the entire opinion carefully in connection with their consideration of the proposed Merger.

Renninger & Associates, LLC s opinion speaks only as of the date of the opinion. The opinion was directed to UCBN s board and is directed only to the fairness of the Merger Consideration to UCBN s shareholders from a financial point of view. It does not address the underlying business decision of UCBN to engage in the Merger or any other aspect of the Merger and is not a recommendation to any UCBN shareholder as to how such shareholder should vote at the special meeting with respect to the Merger or any other matter.

In connection with this opinion, Renninger & Associates, LLC reviewed, among other things: (i) the Merger Agreement; (ii) certain publicly available financial statements and other historical financial information of UCBN that Renninger & Associates, LLC deemed relevant; (iii) certain publicly available financial statements and other historical financial information of German American that Renninger & Associates, LLC deemed relevant; (iv) internal financial projections for UCBN for the years ending December 31, 2013 through December 31, 2018 as discussed with senior management of UCBN; (v) the pro forma financial impact of the Merger on German American, based on various purchase accounting assumptions, transaction expenses, and cost savings as determined by the senior managements of UCBN and German American; (vi) the publicly reported historical price and trading activity for UCBN s and German American s common stock, including a comparison of certain financial and stock market information for UCBN (OTC) and German American (NASDAQ) with similar publicly available information for certain other commercial banks; (vii) the terms and structures of other recent mergers and acquisition transactions in the commercial banking sector; (viii) the current market environment generally and in the commercial banking sector in particular; (ix) such other information, financial studies, analyses and investigations and financial, economic and market criteria as Renninger & Associates, LLC considered relevant. Renninger & Associates, LLC also discussed with certain members of senior management of UCBN the business, financial condition, results of operations and prospects of UCBN and held similar discussions with senior management of German American concerning the business, financial condition, results of operations and prospects of German American.

In performing its review, Renninger & Associates, LLC relied upon the accuracy and completeness of all of the financial and other information that was available to it from public sources, that was provided to it by UCBN and German American or that was otherwise reviewed by Renninger & Associates, LLC and assumed such accuracy and completeness for purposes of preparing its letter. Renninger & Associates, LLC further relied on the assurances of the respective managements of UCBN and German American that they are not aware of any facts or circumstances that would make any of such information inaccurate or misleading in any

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material respect. Renninger & Associates, LLC did not make an independent evaluation or appraisal of the specific assets, the collateral securing assets or the liabilities (contingent or otherwise) of UCBN and German American or any of their respective subsidiaries. Renninger & Associates, LLC did not make an independent evaluation of the adequacy of the allowance for loan losses of UCBN, German American or the combined entity after the Merger and Renninger & Associates, LLC did not review any individual credit files relating to UCBN or German American. Renninger & Associates, LLC assumed with UCBN s consent that the respective allowances for loan losses for both UCBN and German American are adequate to cover such losses and will be adequate on a pro forma basis for the combined entity.

Renninger & Associates, LLC assumed that there has been no material change in the respective assets, financial condition, results of operations, business or prospects of UCBN or German American since the date of the most recent financial data made available to it. Renninger & Associates, LLC also assumed in all respects material to its analysis that UCBN and German American will remain as a going concern for all periods relevant to its analyses. Renninger & Associates, LLC expressed no opinion as to any of the legal, accounting and tax matters relating to the Merger and any other transactions contemplated in connection therewith.

Renninger & Associates, LLC s analyses and the views expressed in its opinion are necessarily based on financial, economic, regulatory, market and other conditions as in effect on, and the information made available to it as of the date of its opinion. Events occurring after the date of its opinion could materially affect its views. Renninger & Associates, LLC has not undertaken to update, revise, reaffirm or withdraw its opinion letter or otherwise comment upon events occurring after the date of its opinion. Renninger & Associates, LLC expressed no opinion as to what the value of German American s common stock will be when issued to UCBN s shareholders or the prices at which UCBN s or German American s securities may trade at any time.

In rendering its July 23, 2013 opinion, Renninger & Associates, LLC performed a variety of financial analyses. The following is a summary of the material analyses performed by Renninger & Associates, LLC, but is not a complete description of all the analyses underlying Renninger & Associates, LLC s opinion. The summary includes information presented in tabular format. In order to fully understand the financial analyses, these tables must be read together with the accompanying text. The tables alone do not constitute a complete description of the financial analyses. The preparation of a fairness opinion is a complex process involving subjective judgments as to the most appropriate and relevant methods of financial analysis and the application of those methods to the particular circumstances. In arriving at its opinion, Renninger & Associates, LLC did not attribute any particular weight to any analysis or factor that it considered. Rather Renninger & Associates, LLC made qualitative judgments as to the significance and relevance of each analysis and factor. Renninger & Associates, LLC did not form an opinion as to whether any individual analysis or factor (positive or negative) considered in isolation supported or failed to support its opinion; rather Renninger & Associates, LLC made its determination as to the fairness of the Merger Consideration on the basis of its experience and professional judgment after considering the results of all its analyses taken as a whole. The process,