

DYER DANIEL P
Form 4
May 26, 2010

FORM 4

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

OMB APPROVAL

OMB Number: 3235-0287
Expires: January 31, 2005
Estimated average burden hours per response... 0.5

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STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *
DYER DANIEL P

2. Issuer Name and Ticker or Trading Symbol
MARLIN BUSINESS SERVICES CORP [MRLN]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)
 Director 10% Owner
 Officer (give title below) Other (specify below)
Chief Executive Officer

(Last) (First) (Middle)
C/O MARLIN BUSINESS SERVICES CORP., 300 FELLOWSHIP ROAD
(Street)

3. Date of Earliest Transaction (Month/Day/Year)
05/24/2010

MOUNT LAUREL, NJ 08054
(City) (State) (Zip)

4. If Amendment, Date Original Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check Applicable Line)
 Form filed by One Reporting Person
 Form filed by More than One Reporting Person

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Ownership (Instr. 4)
				(A) or (D) Price			
Common Stock				V	417,679 ⁽¹⁾	D	

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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SEC 1474 (9-02)

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

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1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)		7. Title and Amount of Underlying Security (Instr. 3 and 4)		
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title
Option to Purchase Common Stock	\$ 17.52	05/24/2010		D		21,429		01/11/2009 ⁽²⁾	01/10/2012	Common Stock
Option to Purchase Common Stock	\$ 18.8	05/24/2010		D		20,000		01/29/2012 ⁽⁴⁾	01/28/2014	Common Stock
Option to Purchase Common Stock	\$ 21.6	05/24/2010		D		8,016		03/28/2010 ⁽²⁾	03/28/2013	Common Stock
Option to Purchase Common Stock	\$ 20.77	05/24/2010		D		9,314		03/16/2011 ⁽²⁾	03/16/2014	Common Stock
Option to Purchase Common Stock	\$ 12.41	05/24/2010		A		39,912		05/24/2014 ⁽⁵⁾	05/24/2017	Common Stock
Option to Purchase Common Stock	\$ 20.77	05/24/2010		D		12,919		03/16/2011 ⁽⁶⁾	03/16/2014	Common Stock
Option to Purchase Common Stock	\$ 12.41	05/24/2010		A		8,612		05/24/2013 ⁽⁶⁾	05/24/2017	Common Stock
Option to Purchase Common Stock	\$ 10.18							10/04/2005 ⁽²⁾	10/04/2011	Common Stock
Option to Purchase Common Stock	\$ 3.39							01/17/2006 ⁽²⁾	01/17/2012	Common Stock
	\$ 3.39							01/13/2007 ⁽²⁾	01/13/2013	

Option to Purchase Common Stock					Common Stock
Option to Purchase Common Stock	\$ 10.18		01/13/2007 ⁽²⁾	01/13/2013	Common Stock
Option to Purchase Common Stock	\$ 9.52		03/01/2012 ⁽²⁾	03/01/2015	Common Stock
Option to Purchase Common Stock	\$ 9.52		03/01/2012 ⁽⁶⁾	03/01/2015	Common Stock

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
DYER DANIEL P C/O MARLIN BUSINESS SERVICES CORP. 300 FELLOWSHIP ROAD MOUNT LAUREL, NJ 08054	X		Chief Executive Officer	

Signatures

/s/ George D. Pelose Attorney in Fact
Date: 05/26/2010

**Signature of Reporting Person Date

Explanation of Responses:

- * If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).
- ** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).
- (1) Includes a total of 226,694 shares of restricted stock where, as of the date of this filing, the restrictions have not yet lapsed.
- (2) Date listed is the date of full vesting. Each grants vests 25% per year beginning on the first anniversary of the date of grant.
On May 24, 2010, the issuer canceled, pursuant to the issuer's option exchange program, time-vesting stock options aggregating 58,759 shares previously granted to the reporting person. In exchange, the reporting person received an aggregate time-vesting replacement option for 39,912 shares at an exercise price of \$12.41.
- (3) Date listed is date of scheduled full vesting. This grant vests over an eight year period at the following annual increments: 2.5% in first year; 5.0% in second year; 7.5% in third year; 10.0% in fourth year; 15.0% in fifth year; and 20.0% in each of the sixth, seventh and eighth years. Vesting can be accelerated upon the reporting person's achievement of certain performance goals set forth in the grant instrument.
- (4) Date listed is the date of full vesting. Vests 25% per year beginning on the first anniversary of the date of grant.
- (5) Represents the date the options will cliff vest if certain four year average EPS growth targets are achieved.
- (6)
- (7)

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Represents the maximum number of options that may vest under this performance option grant. Vesting will be determined by EPS growth rates averaged over a four year performance period. Depending on the average EPS growth rate achieved for the four year period, the number of shares that vest at the end of the four year period could be 0; 4,306; 8,612; or 12,919.

- (8) On May 24, 2010, the issuer canceled, pursuant to the issuer's option exchange program, performance-vesting stock options aggregating 12,919 shares previously granted to the reporting person. In exchange, the reporting person received an aggregate performance-vesting replacement option for 8,612 shares at an exercise price of \$12.41.

- (9) Represents the maximum number of options that may vest under this performance option grant. Vesting will be determined by EPS growth rates averaged over a four year performance period. Depending on the average EPS growth rate achieved for the four year period, the number of shares that vest at the end of the four year period could be 0; 2,870; 5,741; or 8,612.

- (10) Represents the maximum number of options that may vest under this performance option grant. Vesting will be determined by EPS growth rates averaged over a four year performance period. Depending on the average EPS growth rate achieved for the four year period, the number of shares that vest at the end of the four year period could be 0; 10,345; 20,689; or 31,034.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

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