

PELOSE GEORGE D  
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

Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

**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 \*  
PELOSE GEORGE D

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  
 Officer (give title below) \_\_\_\_\_ Other (specify below)  
Chief Operating 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					250,390 <sup>(1)</sup>	D	

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

**Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.**

SEC 1474 (9-02)

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

Edgar Filing: PELOSE GEORGE D - Form 4

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	Amount
Option to Purchase Common Stock	\$ 14	05/24/2010		D			10,000	11/11/2007 <sup>(2)</sup>	11/10/2013	Common Stock	10,000
Option to Purchase Common Stock	\$ 18.8	05/24/2010		D			12,500	01/29/2012 <sup>(4)</sup>	01/28/2014	Common Stock	12,500
Option to Purchase Common Stock	\$ 17.52	05/24/2010		D			9,246	01/11/2009 <sup>(2)</sup>	01/10/2012	Common Stock	9,246
Option to Purchase Common Stock	\$ 21.6	05/24/2010		D			3,891	03/28/2010 <sup>(2)</sup>	03/28/2013	Common Stock	3,891
Option to Purchase Common Stock	\$ 20.77	05/24/2010		D			7,156	03/16/2011 <sup>(2)</sup>	03/16/2014	Common Stock	7,156
Option to Purchase Common Stock	\$ 12.41	05/24/2010		A			29,348	05/24/2014 <sup>(5)</sup>	05/24/2017	Common Stock	29,348
Option to Purchase Common Stock	\$ 20.77	05/24/2010		D			9,924	03/16/2011 <sup>(6)</sup>	03/16/2014	Common Stock	9,924
Option to Purchase Common Stock	\$ 12.41	05/24/2010		A			6,616	05/24/2013 <sup>(6)</sup>	05/24/2017	Common Stock	6,616
Option to Purchase Common Stock	\$ 3.39							08/22/2005 <sup>(2)</sup>	08/22/2011	Common Stock	3,390
	\$ 10.18							10/04/2005 <sup>(2)</sup>	10/04/2011		4,070

Option to Purchase Common Stock				Common Stock
Option to Purchase Common Stock	\$ 3.39	01/17/2006 <sup>(2)</sup>	01/17/2012	Common Stock
Option to Purchase Common Stock	\$ 3.39	01/13/2007 <sup>(2)</sup>	01/13/2013	Common Stock
Option to Purchase Common Stock	\$ 10.18	01/13/2007 <sup>(2)</sup>	01/13/2013	Common Stock
Option to Purchase Common Stock	\$ 9.52	03/01/2012 <sup>(2)</sup>	03/01/2015	Common Stock
Option to Purchase Common Stock	\$ 9.52	03/01/2012 <sup>(6)</sup>	03/01/2015	Common Stock

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
PELOSE GEORGE D C/O MARLIN BUSINESS SERVICES CORP. 300 FELLOWSHIP ROAD MOUNT LAUREL, NJ 08054			Chief Operating Officer	

## Signatures

/s/ George D. Pelose                      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 178,987 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.

## Edgar Filing: PELOSE GEORGE D - Form 4

- (3) On May 24, 2010, the issuer canceled, pursuant to the issuer's option exchange program, time-vesting stock options aggregating 42,793 shares previously granted to the reporting person. In exchange, the reporting person received an aggregate time-vesting replacement option for 29,348 shares at an exercise price of \$12.41.

- (4) 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.

- (5) Date listed is the date of full vesting. Vests 25% per year beginning on the first anniversary of the date of grant.

- (6) Represents the date the options will cliff vest if certain four year average EPS growth targets are achieved.

- (7) 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; 3,308; 6,616; or 9,924.

- (8) On May 24, 2010, the issuer canceled, pursuant to the issuer's option exchange program, performance-vesting stock options aggregating 9,924 shares previously granted to the reporting person. In exchange, the reporting person received an aggregate performance-vesting replacement option for 6,616 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; 2,205; 4,410; or 6,616.

- (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; 7,947; 15,895; or 23,842.

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

Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.