

As filed with the Securities and Exchange Commission on January 20, 1998

Registration Statement No. 333-

SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549

FORM S-8  
REGISTRATION STATEMENT UNDER THE SECURITIES ACT OF 1933

CASS COMMERCIAL CORPORATION

(Exact name of Registrant as specified in its charter)

Missouri

43-1265338

(State of incorporation)

I.R.S. Employer Identification No.

13001 Hollenberg Drive, Bridgeton, Missouri 63044

(Address of Principal Executive Offices) (Zip Code)

1995 PERFORMANCE-BASED STOCK OPTION PLAN

(Full title of the plan)

Lawrence A. Collett  
Chairman - Chief Executive Officer  
Cass Commercial Corporation  
13001 Hollenberg Drive  
Bridgeton, Missouri 63044

(Name and address of agent for service)

(314) 506-5500

(Telephone number, including area code, of agent for service)

CALCULATION OF REGISTRATION FEE

Title of securities to be registered	Amount to be registered	Proposed maximum offering price per share	Proposed maximum aggregate offering price	Amount of registration fee
Common Stock, par value \$0.50 per share	200,000 shares	\$25.50	\$5,100,000.00	\$1,504.50

Represents the closing price for Registrant's Common Stock reported on the Nasdaq Stock Market as of January 14, 1998.

In addition, pursuant to Rule 416(c) under the Securities Act of 1933, this registration statement also covers an indeterminate amount of interests to be offered or sold pursuant to the employee benefit plan described herein.

PART II  
INFORMATION REQUIRED IN THE REGISTRATION STATEMENT

This Registration Statement is being filed for the purpose of registering additional securities of the same class (common stock, par value \$0.50 per share) as other securities for which an earlier registration statement on Form S-8 relating to the same employee benefit plan is effective.

Pursuant to General Instruction E to Form S-8, the contents of the earlier registration statement, File No. 33-91568, are hereby incorporated by reference.

ITEM 5: INTEREST OF NAMED EXPERTS AND COUNSEL. Bruce E. Woodruff,

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who is of counsel to the law firm of Armstrong, Teasdale, Schlafly & Davis, the firm giving the opinion set forth in Exhibit 5 of this Registration Statement, is a member of the Board of Directors of the registrant and owns 4,000 shares (<1%) of the registrant's common stock.

ITEM 8: EXHIBITS. The Exhibits listed in the Exhibit Index below, hereby

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incorporated by reference, are filed as a part of this Registration Statement.

## SIGNATURES

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Pursuant to the requirements of the Securities Act of 1933, the Registrant certifies that it has reasonable grounds to believe that it meets all the requirements for filing on Form S-8 and has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Bridgeton, State of Missouri, on December 16, 1997.

CASS COMMERCIAL CORPORATION

By: s/LAWRENCE A. COLLETT

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 Lawrence A. Collett  
 Chairman, President and  
 Chief Executive Officer

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed by the following persons in the capacities and on the dates indicated.

Each person whose signature appears below constitutes and appoints Lawrence A. Collett and Eric H. Brunngraber, each acting alone, his or her true and lawful attorneys-in-fact and agents, with full powers of substitution and re-substitution, for him or her and in his or her name, place or stead, in any and all capacities, to sign any and all amendments (including post-effective amendments) to this registration statement, and to file the same with all exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, hereby granting unto said attorneys-in-fact and agents, each acting alone, full power and authority to do and perform each and every act and things requisite and necessary to be done in and about the premises, as fully to all intents and purposes as he or she might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents, each acting alone, or his substitute or substitutes, may lawfully do or cause to be done by virtue hereof.

December 16, 1997	s/LAWRENCE A. COLLETT ----- Lawrence A. Collett	Chairman, President and Chief Executive Officer (principal executive officer)
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December 17, 1997	s/JOHN J. VALLINA ----- John J. Vallina	Director
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December --, 1997	----- Robert J. Bodine	Director
December 17, 1997	s/THOMAS J. FUCOLORO ----- Thomas J. Fucoloro	Director
December 17, 1997	s/HARRY J. KRIEG ----- Harry J. Krieg	Director
December --, 1997	----- Howard A. Kuehner	Director
December 17, 1997	s/JAKE NANIA ----- Jake Nania	Director
December --, 1997	----- Irving A. Shepard	Director
December --, 1997	----- A.J. Signorelli	Director
December 17, 1997	s/BRUCE E. WOODRUFF ----- Bruce E. Woodruff	Director
December 17, 1997	s/ERIC H. BRUNNGRABER ----- Eric H. Brunngraber	Vice President - Chief Financial Officer (principal financial and accounting officer)

## INDEX TO EXHIBITS

EXHIBIT -----	DESCRIPTION -----
4.1	Restated Articles of Incorporation of Cass Commercial Corporation.
4.2	By-Laws of Cass Commercial Corporation.
4.3	Cass Commercial Corporation 1995 Performance-Based Stock Option Plan, as amended, including form of Option Agreement.
5	Opinion of Armstrong, Teasdale, Schlafly & Davis regarding legality of shares being registered.
23.1	Consent of Armstrong, Teasdale, Schlafly & Davis (incorporated in Exhibit 5).
23.2	Consent of KPMG Peat Marwick LLP
24	Powers of Attorney (see Signature Page).

RESTATED ARTICLES OF INCORPORATION  
OF  
CASS COMMERCIAL CORPORATION  
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SECRETARY OF STATE  
STATE OF MISSOURI  
P.O. BOX 778  
JEFFERSON CITY, MISSOURI 65102

Pursuant to the provisions of the General and Business Corporation Law of Missouri, the undersigned Corporation adopts the following Restated Articles of Incorporation:

ARTICLE ONE  
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The name of the Corporation shall be Cass Commercial Corporation.

ARTICLE TWO  
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The registered office of the corporation, until otherwise determined by the Board of Directors, shall be 13011 Hollenberg Drive, Bridgeton, Missouri 63044, and the registered agent at such address shall be Eric H. Brunngraber.

ARTICLE THREE  
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The aggregate number of shares which the Corporation shall have authority to issue is Twenty Two Million (22,000,000) shares, of which Twenty Million (20,000,000) shares shall be Common Stock having a par value of \$.50 per share, and Two Million (2,000,000) shares shall be Preferred Stock having a par value of \$.50 per share. No shareholder shall be entitled to the preemptive right to acquire additional shares of the Corporation.

The Board of Directors is expressly authorized, prior to issuance, by adopting resolutions providing for the issuance of shares of any particular series of Preferred Stock and, if and to the extent from time to time required by law, by filing certification thereto with the Secretary of State of Missouri, to set or change the number of shares to be included in each series of Preferred Stock and to set or change in any one or more respects the designations, preferences, conversion or other rights, voting powers, restrictions, limitations as to dividends, qualifications, or terms and conditions of redemption relating to the shares of each such series. The authority of the Board of Directors with respect to each series of Preferred Stock shall include, but not be limited to, setting or changing the following:

- (a) the distinctive serial designation of such series and the number of shares constituting such series;
- (b) the annual dividend rate on shares of such series, whether dividends shall be cumulative and, if so, from which date or dates;

- (c) whether the shares of such series shall be redeemable and, if so, the terms and conditions of such redemption, including the date or dates upon and after which such shares shall be redeemable, and the amount per share payable in case of redemption, which amount may vary under different conditions and at different redemption dates;
- (d) the obligation, if any, of the Corporation to retire shares of such series pursuant to a sinking fund;
- (e) whether shares of such series shall be convertible into, or exchangeable for, shares of stock of any other class or classes and, if so, the terms and conditions of such conversion or exchange, including the price or prices or the rate or rates of conversion or exchange and the terms of adjustment, if any;
- (f) whether the shares of such series shall have voting rights, in addition to the voting rights provided by law, and if so, the terms of such voting rights;
- (g) the rights of the shares of such series in the event of voluntary or involuntary liquidation, dissolution, or winding up of the Corporation; and
- (h) any other relative rights, powers, preferences, qualifications, limitations or restrictions thereof relating to such series.

ARTICLE FIVE

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The name and place of residence of the incorporator is: Bruce E. Woodruff, 333 N. Dickson, St. Louis, Missouri 63122.

ARTICLE FIVE

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The property and business of the corporation shall be controlled and managed by a Board of Directors consisting of ten (10) directors. The number of directors to constitute subsequent boards of directors shall be fixed by, or in the manner provided in, the by-laws of the corporation. Any changes in the number of members of the Board of Directors shall be reported to the Missouri Secretary of State within thirty (30) calendar days of such change.

ARTICLE SIX

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The duration of the Corporation shall be perpetual.

ARTICLE SEVEN

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The Corporation is formed for the following purposes:

1. To own stock of and provide management services to banks and other financial institutions and generally to act as a bank holding company; and to engage in such other business as is incidental thereto; and generally to engage in any lawful act or activity for

which corporations may now or hereafter be organized under the General and Business Corporation Law of Missouri.

2. To buy, lease and otherwise acquire lands and interests in lands of every kind and description and wheresoever situated, to buy, lease and otherwise acquire and to construct and erect buildings and structures of all kinds in and on such lands for any use and purposes; to hold, own, improve, develop, maintain, operate, lease, convey, exchange, mortgage, sell or otherwise dispose of such lands or any interests therein.

3. To borrow or raise money for any of the purposes of this corporation and to issue bonds, promissory notes, bills of exchange, debentures and other obligations and evidences of indebtedness, either secured by mortgage, pledge or otherwise, or unsecured, for any money borrowed or in payment of property purchased, leased, or acquired or for other projects; to mortgage or pledge all, or any part of its properties, rights, interests and franchise, including any or all shares of stock, bonds, debentures, notes, scrip, or other obligations or evidences of indebtedness at any time owned by it.

4. To buy, own, hold, sell, assign, transfer, mortgage, pledge, and deal in stocks, bonds, securities and evidences of indebtedness issued or created by any other corporation, association, partnership or individual, and while in control of the same, to exercise all rights, powers and privileges thereunto appertaining.

5. To buy, hold, sell, assign, transfer, mortgage, pledge, and deal in and with its own capital stock, notes, bonds, securities and evidences of indebtedness in such manner and to such extent as may now or hereafter be permitted by law.

6. To enter into, make, perform, and carry out as principal, agent or broker, contracts of every kind for any lawful purpose, with any person, firm, association or corporation, or with any domestic or foreign governmental, municipal or public authority.

7. To purchase and acquire, as a going concern or otherwise, and to carry on, maintain and operate all or any part of the property, or business of any corporation or firm, association, entity, or person whatsoever, deemed to be of benefit to the corporation, or useful in any manner in connection with any of its objects or purposes; to conduct, transact, operate and carry on business incidental or germane to the objects and purposes hereinbefore enumerated.

8. To buy or otherwise acquire and lease to others, vehicles, equipment and personal property of every kind and description.

9. To have and exercise all of the powers now or hereafter conferred by the laws of the State of Missouri upon corporations organized under the laws of the said State, and any and all acts amendatory thereof and supplemental thereto; and to do any and all things necessary and proper in carrying out or accomplishing any and all of the above mentioned purposes or any part thereof, not inconsistent with the Constitution and laws of the State of Missouri, or these Articles of Incorporation.



## ARTICLE EIGHT

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The by-laws of the corporation may be adopted, amended or repealed only by: (a) the affirmative vote of at least 75% of the outstanding shares of all classes of stock of the corporation entitled to vote thereon, voting as a single class at a meeting duly called and held; or (b) by the affirmative vote of at least 70% of the authorized number of directors at a meeting of the Board of Directors duly called and held.

## ARTICLE NINE

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The corporation shall to the full extent permitted by Section 351.355 of the General and Business Corporation Law of Missouri, as amended from time to time, indemnify all persons whom it shall have power to indemnify under said Section from and against any and all of the expenses, liabilities or other matters referred to in said Section.

## ARTICLE TEN

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The affirmative vote of at least 75% of the outstanding shares of all classes of stock of the corporation entitled to vote thereon, voting as a single class at a meeting duly called and held, shall be required: (a) for the adoption or approval of any agreement for the merger or consolidation of the corporation with or into a related person or an affiliate of a related person, unless pursuant to the terms of the proposed merger or consolidation the persons who hold common shares of the corporation immediately prior to the merger will have the same rights and percentage of ownership and voting power of the surviving or resulting entity as they have in the corporation preceding the merger or consolidation; or (b) to authorize the sale or lease of all or substantially all of the assets of the corporation to a related person or affiliate of a related person; or (c) to authorize the dissolution of the corporation. For purposes of this Article a "related person" in respect of a given transaction shall be any company, person or other entity which by itself or together with its affiliates and associates is the beneficial owner directly or indirectly of more than 5% of any class of equity securities of the corporation as of the record date for the determination of stockholders entitled to vote on such transaction; an "affiliate" of a related person shall be any company, person or other entity which, directly or indirectly through one or more intermediaries, controls or is controlled by or is under common control with, the related person; an "associate" of a related person shall be any officer or director or any beneficial owner, directly or indirectly, of more than 5% of any class of equity securities of such related person or any of its affiliates; and "equity securities" shall include any stock or similar security, or any security convertible, with or without consideration, into such a security, or carrying any warrant to subscribe to or purchase such a security, or any such warrant or right.

A related person shall be deemed to be the beneficial owner of any equity securities which it or its affiliates or associates has the right to acquire pursuant to any agreement; or which are beneficially owned directly or indirectly (including shares deemed owned through the application of the immediately preceding clause) by any other company, person or entity (or an affiliate or associate of any such company, person or entity) with which it or its affiliates or associates has any agreement, arrangement or understanding for the purposes of acquiring, holding, voting or disposing of any equity securities of the corporation.

A determination of the Board of Directors of the corporation, based on information known to the Board of Directors and made in good faith, shall be conclusive as to whether: (a) a company, person or other entity is a related person, an affiliate or an associate; or (b) a related person or affiliate or associate thereof is the beneficial owner of more than 5% of any class of equity securities of the corporation.

The provisions of this Article and of Article Eight hereof shall be in addition to the requirements of the General and Business Corporation Law of Missouri and shall not be amended or repealed without the affirmative vote of 75% of the outstanding shares of all classes of stock of the corporation entitled to vote thereon, voting as a single class at a meeting duly called and held. The notice of any meeting at which any matter described in this Article or in Article Eight (including the amendment or repeal of either Article) is to be voted on by the stockholders shall include a statement describing the matter to be voted on and setting forth the vote required to approve such matter.

The foregoing Restated Articles of Incorporation were duly adopted at a meeting of the Board of Directors of the Corporation held on December 16, 1997, by the affirmative vote of a majority of the members of the Board of Directors, and correctly set forth without change the corresponding provisions of the Articles of Incorporation as theretofore amended, and supersede the original Articles of Incorporation and all amendments thereto.

IN WITNESS WHEREOF, the undersigned Corporation has caused these Restated Articles of Incorporation to be executed in its name by its President and by its Secretary, this 17th day of December, 1997.

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CASS COMMERCIAL CORPORATION

(Corporate Seal)

By s/Lawrence A. Collett

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President

and Eric H. Brunngraber

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Secretary

STATE OF MISSOURI     )  
                              ) ss.  
COUNTY OF ST. LOUIS    )

I, Dana L. Stauder, a Notary Public, do hereby certify that on the 17th day of December, 1997, personally appeared before me Lawrence A. Collett who, being by me first duly sworn, declared that he is the President of Cass Commercial Corporation, that he signed the foregoing document as President of the Corporation, and that the statements therein contained are true.

s/Dana L. Stauder

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DANA L. STAUDER  
Notary Public - Notary Seal  
STATE OF MISSOURI  
ST. CHARLES COUNTY  
MY COMMISSION EXP. JUNE 3, 2000

BY-LAWS  
OF  
CASS COMMERCIAL CORPORATION  
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ARTICLE I  
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Offices

The principal office of the corporation shall be located at such place either within or without the State of Missouri as the Board of Directors may from time to time designate. The corporation may have such other offices, either within or without the State of Missouri, as the business of the corporation may require from time to time.

The location of the registered office of the corporation and the name of the corporation's registered agent in the State of Missouri shall be as determined from time to time by the Board of Directors and as filed in the manner provided by law.

ARTICLE II  
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Shareholders

Section 2.1. Annual Meeting: The annual meeting of the shareholders  
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shall be held at the hour of 11:00 a.m. on the third Monday in April of each year, for the purpose of electing directors and for the transaction of such other business as may come before the meeting. If the day fixed for the annual meeting shall be a legal holiday, such meeting shall be held on the next succeeding business day.

Section 2.2. Special Meetings: Special meetings of the shareholders  
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may be called at any time by the Chairman of the Board of Directors, by the President, or by the Board of Directors by giving notice thereof in the manner hereafter provided. The business to be conducted at a special meeting is limited to the purpose or purposes specified in the written notice of such meeting.

Section 2.3. Place of Meeting: The Board of Directors may designate  
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any place, either within or without the State of Missouri, as the place of meeting for any annual meeting of the shareholders or for any special meeting of the shareholders called by the Board of Directors. If no designation is made, or if a special meeting be otherwise called, the place of meeting shall be the principal office of the corporation.

Section 2.4. Notice of Meetings: Written or printed notice stating the  
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place, day and hour of the meeting and, in case of a special meeting, the purpose or purposes for which the meeting is called, shall be delivered either personally or by mail, by or at the direction of the Chairman of the Board, the President, the Secretary, or the persons calling the meeting, to each shareholder of record entitled to vote at such meeting, not less than ten nor more than

seventy days before the date of the meeting, unless, as to a particular matter, other or further notice is required by law, in which case such other or further notice shall be given. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail addressed to the shareholder at his address as it appears on the records of the corporation, with postage thereon prepaid.

Section 2.5. Closing of Transfer Books or Fixing of Record Date: The

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 Board of Directors of the corporation may close its stock transfer books for a period not exceeding fifty days preceding the date of any meeting of shareholders, or the date for the payment of any dividend or for the allotment of rights, or the date when any change, exchange or conversion of shares shall be effective; or, in lieu of closing the stock transfer books, may fix in advance a date, not exceeding fifty days preceding the date of any meeting of shareholders, or the date for the payment of any dividend, or for the allotment of rights, or the date when any change, exchange or conversion of shares shall be effective, as the record date for the determination of shareholders entitled to notice of, and to vote at, any such meeting and any adjournment thereof, or entitled to receive payment of any such dividend or any such allotment of rights, or to exercise rights in respect of any such change, exchange or conversion of shares; and only the shareholders of record on such date of closing the transfer books, or on the record date so fixed, shall be the shareholders entitled to notice of, and to vote at, such meeting, and any adjournment thereof, or to receive payment of such dividend, or to receive such allotment of rights, or to exercise such rights, in the event of an exchange, change or conversion of shares, as the case may be, notwithstanding any transfer of shares on the books of the corporation after the date of closing of the transfer books or the record date fixed as aforesaid. If the Board of Directors shall not have closed the transfer books or set a record date for the determination of its stockholders entitled to notice of, and to vote as hereinabove provided, only the shareholders who are shareholders of record at the close of business on the 20th day preceding the date of the meeting shall be entitled to notice of, and to vote at, the meeting, and any adjournment thereof, except as otherwise provided by statute.

Section 2.6. Voting Lists: At least ten days before each meeting of

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 shareholders, the officer or agent having charge of the transfer book for shares of the corporation shall make a complete list of the shareholders entitled to vote at such meeting, arranged in alphabetical order with the address of and the number of shares held by each, which list, for a period of ten days prior to such meeting, shall be kept on file at the registered office of the corporation and shall be subject to inspection by any shareholder at any time during usual business hours. Such list shall also be produced and kept open at the time and place of the meeting and shall be subject to the inspection of any shareholder during the whole time of the meeting. The original share ledger or transfer book, or a duplicate thereof kept in this state, shall be prima facie evidence as to who are the shareholders entitled to examine such list or share ledger or transfer book or to vote at any meeting of shareholders.

Section 2.7. Quorum: A majority of the outstanding shares of the

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 corporation, entitled to vote at any meeting, represented in person or by proxy, shall constitute a quorum at any meeting of the shareholders; provided, that if less than a majority of the outstanding shares entitled to vote are represented at said meeting, a majority of the shares so represented may adjourn the meeting, from time to time, without further notice, to a specified date not longer than ninety days after such adjournment. Every decision of a majority of such

quorum shall be valid as a corporate act unless a larger vote is required by law.

Section 2.8. Proxies: At all meetings of shareholders, a shareholder

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 may vote by proxy executed in writing by the shareholder or by his duly authorized attorney-in-fact. Such proxy shall be filed with the Secretary of the corporation before or at the time of the meeting. No proxy shall be valid after eleven months from the date of its execution, unless otherwise provided in the proxy.

Section 2.9. Voting of Shares: Each outstanding share of capital stock

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 entitled to vote shall be entitled to one vote upon each matter submitted to a vote at a meeting of shareholders.

Section 2.10. Voting of Shares by Certain Holders: Shares standing in

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 the name of another corporation, domestic or foreign, may be voted by such officer, agent, or proxy as the by-laws of such corporation may prescribe, or, in the absence of such provision, as the Board of Directors of such corporation may determine.

Shares standing in the name of a deceased person may be voted by his administrator or executor, either in person or by proxy. Shares standing in the name of a guardian, curator, or trustee may be voted by such fiduciary, either in person or by proxy, but no guardian, curator, or trustee shall be entitled, as such fiduciary, to vote shares held by him without a transfer of such shares into his name.

Shares standing in the name of a receiver may be voted by such receiver, and shares held by or under the control of a receiver may be voted by such receiver without the transfer thereof into his name if authority so to do be contained in an appropriate order of the court by which such receiver was appointed.

A shareholder whose shares are pledged shall be entitled to vote such shares until the shares have been transferred into the name of the pledgee, and thereafter the pledgee shall be entitled to vote the shares so transferred.

Section 2.11 No Cumulative Voting: In all elections of Directors of

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 the corporation, each share shall be entitled to one vote as to each Director to be elected and no shareholder shall have the right to cast votes in the aggregate or to cumulate his or her votes for the election of any Director, and cumulative voting of shares in elections of Directors is hereby specifically negated.

Section 2.12. Actions of Shareholders Without a Meeting: Any action

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 required or permitted to be taken at a meeting of the shareholders of the corporation may be taken without a meeting if consents in writing, setting forth the action so taken, shall be signed by all the shareholders entitled to vote with respect to the subject matter thereof. Such consents shall have the same force and effect as a unanimous vote of the shareholders at a meeting duly held and may be stated as such in any certificate or document filed under the laws of Missouri pertaining to business corporations. The Secretary shall file such consents with the minutes of the meetings of the shareholders.

Section 2.13 Advance Notice of Shareholder Proposals: At an annual

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 meeting of the shareholders, only such business shall be conducted as shall have been properly brought before the meeting. To be properly brought before an annual meeting, business must be: (a) specified in the notice of meeting (or any supplement thereto) given by or at the direction of the Board of Directors; (b) otherwise properly brought before the meeting by or at the direction of the Board of Directors; or (c) otherwise properly brought before the meeting by a shareholder. For business to be properly brought before an annual meeting by a shareholder, the shareholder must have given timely notice thereof in writing to the Secretary of the Corporation. To be timely, a shareholder's notice must be delivered to or mailed and received at the principal executive offices of the corporation, not less than 60 days nor more than 90 days prior the first anniversary of the preceding year's annual meeting; provided, however, that if the date of the meeting is changed by more than 30 days before or after such anniversary date, notice by the shareholder to be timely must be so received not later than the close of business on the 10th day following the day on which such notice of the date of the annual meeting was mailed or such public disclosure was made. A shareholder's notice to the Secretary shall set forth as to each matter the shareholder proposes to bring before the annual meeting: (a) a brief description of the business desired to be brought before the annual meeting and the reasons for conducting such business at the annual meeting; (b) the name and address, as they appear on the corporation's books, of the shareholder proposing such business; (c) the class and number of shares of the corporation which are beneficially owned by the shareholder; and (d) any material interest of the shareholder in such business. Notwithstanding anything in the By-Laws to the contrary, no business shall be conducted at any annual meeting except in accordance with the procedures set forth in this Section 2.13. The Chairman of the annual meeting shall, if the facts warrant, determine and declare to the meeting that business was not properly brought before the meeting and in accordance with the provisions of this Section 2.13, and if he or she should so determine, he or she shall so declare to the meeting and any such business not properly brought before the meeting shall not be transacted.

Nothing in this Section 2.13 shall alter the timeliness and other requirements of Rule 14a-8, promulgated by the Securities Exchange Commission, or any successor thereto (to the extent the corporation is subject to such Rule or successor), for inclusion of shareholders' proposals in the corporation's proxy statement with respect to a meeting of shareholders.

ARTICLE III

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 Directors

Section 3.1. General Powers: The property, business and affairs of the  
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 Corporation shall be controlled and managed by its Board of Directors.

Section 3.2. Number and Qualifications: The Board of Directors, by the  
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 affirmative vote of not less than 70% of the authorized number of directors at a meeting duly called and held, shall have the power to increase or decrease the number of directors, provided that no decrease in the number of directors shall operate to remove a director prior to the expiration of his term.

Each director shall be a natural person at least eighteen years old. A director need

not be a shareholder, a citizen of the United States, or a resident of the State of Missouri.

Section 3.3. Term and Election: The term of office of each Director

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shall be three years, and as nearly as practicable, taking into account increases or decreases in the number of Directors constituting the Board of Directors, one-third of the Board of Directors shall be elected each year at the annual meeting, the Directors so elected filling the place of retiring Directors. In the event of a change in the number of Directors, the resolution effectuating such change shall specify the years in which the terms of the directorships thereby created shall first expire. Vacancies occurring in the Board of Directors, including vacancies due to an increase in the number of Directors, may be filled by the directors then in office acting on the recommendation of the Executive Committee. Any Director may succeed himself or herself.

Section 3.4. Meeting of Newly Elected Board: The first meeting of each

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newly elected Board shall be at the regular meeting of the Board of Directors next occurring after the annual meeting of shareholders, without other notice than this by-law; provided, that if no such regular meeting is scheduled to take place within thirty days after such annual meeting, the newly elected Board shall meet within such period at a time and place consented to in writing by all of the newly elected directors. Upon his election, each director shall qualify by accepting the office of director, and his attendance at, or his written approval of the minutes of, any meeting of the newly elected directors shall constitute his acceptance of such office, or he may execute such acceptance by a separate writing, which shall be placed in a minute book.

Section 3.5. Regular Meetings: Regular meetings of the Board may be

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held without other notice than this by-law at such times and places either within or without the State of Missouri as shall from time to time be fixed by resolution adopted by the full Board of Directors. Any business may be transacted at a regular meeting.

Section 3.6. Special Meetings: Special Meetings of the Board of

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Directors may be called by or at the request of the Chairman of the Board, the President or any two or more of the directors, by giving notice thereof in the manner hereinafter provided. The person or persons calling such meeting may fix any place either within or without the State of Missouri as the place for holding such special meeting.

Section 3.7. Notice: Notice of any special meeting, stating the place,

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date and time of the meeting shall be given at least three business days previously thereto by written notice delivered to each director either personally or by mail or telegram to his residence or usual place of business; provided, however, that if the designated meeting place is without the State of Missouri, an additional three days' notice shall be given. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail properly addressed, with postage thereon prepaid; provided, that if the place of mailing is without the State of Missouri, the notice shall be deemed to be delivered on the second business day after such deposit. If notice be given by telegram, such notice shall be deemed to be delivered when the telegram is delivered to the telegraph company. Neither the business to be transacted at nor the purpose of, any regular or special meeting of the Board of Directors need be specified in the notice of such meeting.

Section 3.8. Quorum: A majority of the full Board of Directors from

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time to time constituted shall constitute a quorum for the transaction of business at any meeting of the Board of Directors, provided that if less than a majority of the directors are present at said meeting, a majority of the directors present may adjourn the meeting from time to time to a specified date not longer than 30 days from the last adjournment without further notice.

Section 3.9. Manner of Acting: The act of the majority of the

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directors present at a meeting of the directors at which a quorum is present shall be the act of the Board of Directors. Members of the Board of Directors, or of any committee designated by the Board of Directors, may participate in a meeting of the Board or committee by means of conference telephone or similar communications equipment whereby all persons participating in the meeting can hear each other, and participation in a meeting in this manner shall constitute presence in person at such meeting.

Section 3.10. Vacancies: Vacancies on the Board of Directors and newly

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created directorships resulting from an increase in the number of directors may be filled by a majority of the directors then in office, though less than a quorum, until the election of directors at the next annual meeting of the shareholders.

Section 3.11. Actions of Board of Directors Without A Meeting: Any

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action which is required to be or may be taken at a meeting of the Board of Directors or any committee thereof may be taken without a meeting if consents in writing, setting forth the action so taken, are signed by all of the directors or committee members, as the case may be. The consents shall have the same force and effect as a unanimous vote at a meeting duly held, and may be stated as such in any certificate or document under the laws of Missouri pertaining to business corporations. The secretary shall file the consents with the minutes of the meetings of the board of directors or committee, as the case may be.

Section 3.12. Executive Committee: The Board of Directors by

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resolution adopted by a majority of the whole Board may designate two or more directors to constitute an Executive Committee, which Committee shall meet at frequent or regular intervals as determined by resolutions from time to time adopted by the Board, and shall have and exercise, to the extent provided in such resolutions, all of the authority of the Board of Directors in the management of the Corporation; provided, however, that: (i) the Executive Committee shall report all of its decisions and actions to the Board of Directors at the next meeting of the Board of Directors thereafter occurring; (ii) the Executive Committee shall at all times be subject to the general supervision and control of the Board of Directors; (iii) members of such Committee may be removed, and new members appointed, at any time by the majority vote of the whole Board; and (iv) the designation of such Committee and the delegation thereto of the authority herein provided shall not operate to relieve the Board of Directors, or any member thereof, of any responsibility imposed upon such Board, or upon any individual member thereof, by law.

Section 3.13. Attendance: Whenever a Director shall fail to attend the

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regular monthly meetings of the Board of Directors, or shall fail to perform the duties devolved upon him as such Director, for three successive meetings, without being excused by the Board, he shall cease to be a Director and his office shall be vacant, but he shall not be disqualified from thereafter being eligible for re-election to the Board, provided the Board of Directors,



in its discretion, shall not declare him ineligible.

Section 3.14 Removal of Director: Directors may be removed from office

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only for cause, and only by the affirmative vote of the holders of 75% of the outstanding shares entitled to vote or by 70% of the authorized number of Directors other than the Director to be removed.

ARTICLE IV

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Officers

Section 4.1. Number: The officers of the corporation shall be a

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President, who shall be chosen from the members of the Board of Directors, a Secretary, and such other officers as may be elected in accordance with the provisions of this Article. The Board of Directors, by resolution, may also elect as officers a Chairman of the Board, a Treasurer, one or more Vice Presidents, one or more Assistant Treasurers and Assistant Secretaries and such other officers as the Board of Directors may from time to time deem advisable and appoint by resolution. Any two or more offices may be held by the same person, except the offices of President and Secretary.

All officers and other agents of the corporation, as between themselves and the corporation, shall have such authority and perform such duties in the management of the property and affairs of the corporation as may be provided herein, or, in the absence of such provision, as may be determined by resolution of the Board of Directors.

Section 4.2. Election and Term of Office: The officers of the

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corporation shall be elected annually by the Board of Directors at the first meeting of the Board of Directors held after each annual meeting of shareholders. If the election of officers shall not be held at such meeting, such election shall be held as soon thereafter as conveniently may be. Vacancies may be filled or new offices created and filled at any meeting of the Board of Directors. Each officer shall hold office until his successor shall have been duly elected and shall have qualified or until his death or until he shall resign or shall have been removed in the manner hereinafter provided.

Section 4.3. Removal: Any officer or agent elected or appointed by the

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Board of Directors may be removed by the Board of Directors with or without cause, but such removal shall be without prejudice to the contract rights, if any, of the person so removed. Removal shall be effected automatically by the election of a successor to such office or position.

Section 4.4. Vacancies: A vacancy in any office may be filled by the

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Board of Directors for the unexpired portion of the term.

Section 4.5. Chief Executive Officer: The powers of the chief

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executive officer of the corporation shall be vested in the President, unless the Chairman of the Board has previously been designated by the Board of Directors to be the chief executive officer of the corporation or to have the powers of the chief executive officer co-extensively with the

President, and such designation has been filed in writing with the Secretary of State and such notice attested to by the Secretary of the corporation. If the powers of the chief executive officer shall be vested solely in the Chairman of the Board, the President shall be subordinate only to the Chairman of the Board and shall be the chief operating officer of the corporation and shall be in charge of, and exercise general supervisory control over, all operating phases and departments of the corporation.

The President shall preside at all meetings of the shareholders and of the Board of Directors, unless there shall be a Chairman of the Board, in which case the President shall preside in the absence or with the consent of the Chairman of the Board.

The chief executive officer of the corporation may execute, either alone or with any other proper officer thereunto authorized by the Board of Directors, deeds, mortgages, bonds, notes, contracts, or any other instruments for and in the name of the corporation, except in cases where the execution thereof shall be expressly delegated by the Board of Directors or by these by-laws to some other officer or agent of the corporation or shall be required by law to be otherwise executed. The chief executive officer shall also, unless the Board otherwise provides, be ex officio a member of all standing committees. In general, the chief executive officer shall perform all duties usually vested in the chief executive officer of a corporation and such other duties as may be prescribed from time to time by the Board of Directors.

Section 4.6. Vice President: If one or more Vice Presidents shall be

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 elected, and if one of such Vice Presidents be designated by the Board as Executive Vice President, such Executive Vice President, in the absence of the President, or in the event of his inability or refusal to act, shall perform the duties of the President, and when so acting, shall have all the powers of, and be subject to all the restrictions upon, the President. If there shall be no Executive Vice President or if there shall be an Executive Vice President and he shall be absent, then the Vice President who shall have been first elected by the Board of Directors at the last annual meeting of the Board (and the order of the names of such Vice Presidents, as they appear in the minutes of such Annual Meeting of the Board, shall be conclusive as to which Vice President shall have been first elected), shall perform the duties of the President in the event of the latter's absence, inability or refusal to act. The Vice Presidents shall perform such other duties as from time to time may be assigned to them by the chief executive officer or the Board of Directors or the Executive Committee.

Section 4.7. Treasurer: If required by the Board of Directors, the

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 Treasurer shall give a bond for the faithful discharge of his duties in such sum and with such surety or sureties as the Board of Directors shall determine. He shall have charge and custody of and be responsible for all funds and securities of the corporation; receive and give receipts for moneys due and payable to the corporation from any source whatsoever, and deposit all such moneys in the name of the corporation in such banks, trust companies or other depositories as shall be selected in accordance with the provisions of Article V of these by-laws; keep or cause to be kept all books of account and accounting records of the corporation; and in general perform all the duties incident to the office of Treasurer and such other duties as from time to time may be assigned to him by the chief executive officer or the Board of Directors or the Executive Committee.

Section 4.8. Secretary: The Secretary shall keep the minutes of the

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 shareholders' and the Board of Directors' meetings in one or more books provided for that purpose; see that all notices are duly given in accordance with the provisions of these by-laws or as required by law; be custodian of the corporate records and of the seal of the corporation and see that the seal of the corporation is affixed to all certificates for shares prior to the issue thereof and to all documents, the execution of which on behalf of the corporation under its seal is duly authorized in accordance with the provisions of these by-laws; keep a register of the post office address of each shareholder which shall be furnished to the Secretary by such shareholder; sign with the Chairman of the Board, the President, or a Vice President, certificates for shares of the corporation, the issue of which shall have been authorized by resolution of the Board of Directors; have general charge of the stock transfer books of the corporation; and in general perform all duties incident to the office of Secretary and such other duties as from time to time may be assigned to him by the chief executive officer or the Board of Directors or by the Executive Committee.

Section 4.9. Assistant Treasurers and Assistant Secretaries: The

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 Assistant Treasurers shall respectively, if required by the Board of Directors, give bonds for the faithful discharge of their duties in such sums and with such sureties as the Board of Directors shall determine. The Assistant Treasurers and Assistant Secretaries shall perform the duties of the Treasurer and Secretary respectively, in their absence, and shall perform such other duties as shall be assigned to them by the Treasurer or the Secretary, respectively, or by the chief executive officer or the Board of Directors or the Executive Committee.

Section 4.10. Salaries: The salaries of the officers shall be fixed

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 from time to time by the Board of Directors and no officer shall be prevented from receiving such salary by reason of the fact that he is also a director of the corporation.

#### ARTICLE V

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#### Contracts, Loans, Checks and Deposits

Section 5.1. Contracts: The Board of Directors may authorize any

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 officer or officers, agent or agents, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the corporation, and such authority may be general or confined to specific instances.

Section 5.2. Loans: No loans shall be contracted on behalf of the

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 corporation and no evidences of indebtedness shall be issued in its name unless authorized by a resolution of the Board of Directors. Such authority may be general or confined to specific instances.

Section 5.3. Checks, Notes, etc.: All checks or other orders for the

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 payment of money, and all notes or other evidences of indebtedness issued in the name of the corporation, shall be signed by the chief executive officer or by such officer or officers, agent or agents of the corporation and in such manner as shall from time to time be determined by resolution of the Board of Directors. Funds not otherwise employed shall be deposited from time to time to the credit of the corporation in such banks, trust companies or other depositories as the Board of Directors may select.

## ARTICLE VI

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## Certificates for Shares and Their Transfer

## Section 6.1. Certificates for Shares: Certificates representing shares

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of the corporation shall be in such form as may be determined by the Board of Directors. Such certificates shall be signed by the chief executive officer or President or Vice President and by the Secretary or Treasurer or an Assistant Secretary or Treasurer, and shall be sealed with the seal of the corporation. All certificates for shares shall be consecutively numbered. The name of the person owning the shares represented thereby with the number of shares and date of issue shall be entered on the books of the corporation. All certificates surrendered to the corporation for transfer shall be cancelled and no new certificate shall be issued until the former certificate for a like number of shares shall have been surrendered and cancelled except that in case of a lost, destroyed or mutilated certificate a new one may be issued therefor upon such terms and indemnity to the corporation as the Board of Directors may prescribe.

## Section 6.2. Transfers of Shares: Transfers of shares of the

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corporation shall be made only on the books of the corporation by the registered holder thereof or by his attorney thereunto authorized by power of attorney duly executed and filed with the Secretary of the corporation. The person in whose name shares stand on the books of the corporation shall be deemed the owner thereof for all purposes as regards the corporation.

## ARTICLE VII

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## Fiscal Year

The first fiscal year of the corporation shall be determined by the filing of the first Federal income tax return of the corporation. Thereafter, each fiscal year shall end on the same date until changed by resolution of the Board of Directors.

## ARTICLE VIII

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## Dividends

The Board of Directors may from time to time declare, and the corporation may pay, dividends on its outstanding shares in the manner and upon the terms and conditions provided by law and its Articles of Incorporation.

## ARTICLE IX

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## Seal

The corporation shall have a corporate seal, which shall be in the form of a circle and shall have inscribed thereon the name of the corporation and the words "Corporate Seal" and "Missouri".

## ARTICLE X

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## Indemnification

The corporation shall indemnify its directors, officers and employees to an extent not exceeding that permitted by Section 351.355 of the Revised Statutes of Missouri, as amended, and subject to the terms and provisions of the foregoing statute, which, by reference, is incorporated herein.

The corporation may also in specific cases, in the discretion of the Board of Directors, indemnify agents of the corporation other than directors, officers and employees to an extent not exceeding that permitted by Section 351.355, as amended.

## ARTICLE XI

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## Waiver of Notice

Whenever any notice whatever is required to be given under the provisions of these by-laws or the Articles of Incorporation or any law, a written waiver thereof in writing, signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice.

Attendance at any meeting shall constitute a waiver of notice of the meeting except where such attendance is for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened.

## ARTICLE XII

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## Amendments

These by-laws may be amended or repealed as provided in the Articles of Incorporation. No amendment which effects a change of the time or place for the election of directors shall operate to reduce the length of a director's term of office by more than sixty days.

## ARTICLE XIII

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Protection to Public  
Shareholders in Certain Defined Instances

For purposes of this Article, the term "Related Person" means any individual, corporation, partnership, trust, association or other organization or entity (including any group formed for the purpose of acquiring, voting or holding securities of the corporation) which by itself or together with its affiliates and associates either directly, or indirectly through one or more intermediaries, owns, beneficially or of record, or controls by agreement, voting trust or otherwise, 20% or more of the voting power of the stock of the corporation, and such term also includes any corporation, partnership, trust, association or other organization or entity in which one or more Related Persons have the power, through the ownership of voting securities, by contract, or otherwise, to influence significantly any of the management, activities or policies of such corporation, partnership, trust, association, other organization or entity.

The purpose of this Article is to provide minimum safeguards for the corporation's public shareholders in the event a Related Person wishes to accomplish a merger or consolidation involving the corporation, or the sale of the corporation's assets. The Board of Directors believes that frequently the terms of such a merger, consolidation or purchase do not reflect arms' length bargaining because one dominant influence controls both sides of the negotiations. The fact that the bulk of the remaining shareholders may be solicited by the acquiring Related Person in connection with such a business combination or sale does not assure those shareholders that the terms of such a combination (i.e., what they will receive for their shares of the corporation) will be fair to them, or that they can effectively prevent its accomplishment. The statutory right of the remaining public shareholders of the corporation to dissent and to have their shares "appraised" and to receive the value of their shares in cash is not always adequate because the appraisal standard to be applied under the laws of Missouri (the corporation's state of incorporation) does not take into account the benefit of the proposed merger or consolidation to the surviving combined entity and may not recognize the adverse influence of the acquiring Related Person's substantial stock ownership on the market value of the shares in the hands of the public. Accordingly, it is hereby provided that during the period of time any Related Person is the beneficial owner of 20% or more of the voting shares of the corporation, and there is submitted to the shareholders of the corporation any plan of merger or other business combination or any proposal for the sale of all or substantially all of the assets of the corporation, the following shall occur:

A copy of this Article shall be furnished by the corporation to each shareholder of the corporation at the time such plan or proposal is submitted to the shareholders, and the holders of shares in the corporation who do not vote their shares in favor of such plan or proposal shall be entitled to receive from the corporation cash in such amount as shall equal the "Redemption Price" for their shares. The "Redemption Price" shall be the greater of: (i) the highest price, including any commissions paid to brokers or dealers, at which any voting shares of the corporation held by the Related Person were acquired at any time pursuant to a tender offer or in any market purchase (including privately negotiated transactions) or otherwise within 24 months prior to the date of such transmittal to shareholders of this Article; or (ii) the highest sales price in which any voting shares of the corporation were traded on the market during the 24 months preceding the date of such transmittal of this Article. In no event, however, shall the Redemption Price be less than the shareholders' equity per share as reflected in any report prepared by the corporation as at the end of the corporation's last fiscal quarter preceding the date of such transmittal of this Article to shareholders. The payment of such Redemption Price shall be made in cash on or before the date such merger or other business combination or sale of assets shall be effected.

Notwithstanding the provisions herein above set forth, the corporation shall not redeem any of its own voting shares when the capital of the corporation is impaired or when such redemption would cause any impairment of the capital of the corporation in violation of Missouri law.

## ARTICLE XIV

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Certain Repurchases of  
Shares of Stock by the Corporation

For purposes of this Article, (i) the term "Controlling Person" means any individual, corporation, partnership, trust, association or other organization or entity (including any group formed for the purpose of acquiring, voting or holding securities of the corporation) which either directly, or indirectly through one or more intermediaries, owns, beneficially or of record, or controls by agreement, voting trust or otherwise, at least 5% of the voting power of the stock of the corporation, and such term also includes any corporation, partnership, trust, association or other organization or entity in which one or more Controlling Persons have the power, through the ownership of voting securities, by contract, or otherwise, to influence significantly any of the management, activities or policies of such corporation, partnership, trust, association, other organization or entity, and (ii) the term "Disinterested Shareholders" means those holders of the stock of the corporation entitled to vote on any matter, none of which is a Controlling Person.

Except as otherwise provided in this Article, no purchase by the corporation from any Controlling Person of any shares of stock of the corporation owned by such Controlling Person shall be made at a price exceeding the average price paid by such Controlling Person for all shares of stock of the corporation acquired by such Controlling Person during the 24 months preceding the date of such proposed purchase unless such purchase is approved by the affirmative vote of not less than a majority of the voting power of the shares of stock of the corporation held by Disinterested Shareholders.

The provisions of this Article shall not apply to (i) any offer to purchase made by the corporation which is made on the same terms and conditions to the holders of all shares of stock of the corporation, (ii) any purchase by the corporation of shares owned by a Controlling Person occurring after the end of 24 months following the date of the Last acquisition by such Controlling Person of stock of the corporation, (iii) any transaction which may be deemed to be a purchase by the corporation of shares of its stock which is made in accordance with the terms of any stock option or other employee benefit plan now or hereafter maintained by the corporation, or (iv) any purchase by the corporation of shares of its stock at prevailing market prices pursuant to a stock repurchase program.

As adopted February 20, 1996.

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Secretary

CASS COMMERCIAL CORPORATION  
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1995 PERFORMANCE-BASED STOCK OPTION PLAN  
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1. PURPOSE OF PLAN.  
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The purpose of this 1995 Performance-Based Stock Option Plan is to aid the Company and its subsidiaries in securing and retaining qualified personnel by making it possible to offer such personnel an increased incentive, in the form of a proprietary interest in the Company, to join or continue in the service of the Company or its subsidiaries and to increase their efforts for its welfare.

2. DEFINITIONS.  
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As used in this Plan, the following terms when capitalized shall have the meanings indicated:

2.1 "Board" means the board of directors of the Company.

2.2 "Business Day" means a day on which the main office of the Company is open for business, which shall be deemed to end at the regularly scheduled closing time of the Company's main office on such day.

2.3 "Cass Bank" means Cass Bank & Trust Company.

2.4 "Change in Control" means any one or more of the following occurrences:

(i) Any individual, corporation (other than the Company), partnership, trust, association, pool, syndicate, or any other entity or any group of persons acting in concert becomes the beneficial owner (within the meaning of Rule 13d-3 under the Securities Exchange Act of 1934) of securities of the Company possessing more than one-third of the voting power for the election of directors of the Company;

(ii) There shall be consummated any consolidation, merger, or other business combination involving the Company or the securities of the Company in which holders of voting securities of the Company immediately prior to such consummation own, as a group, immediately after such consummation, voting securities of the Company (or, if the Company does not survive such transaction, voting securities of the entity surviving such transaction) having less than two-thirds of the total voting power in an election of directors of the Company (or such other surviving corporation);

(iii) During any period of two (2) consecutive years, individuals who at the beginning of such period constitute the directors of the Company cease for any reason to constitute at least a majority thereof unless the election, or the nomination for election by the Company's shareholders, of each new director of the Company was approved by a vote of at least two-thirds (2/3) of the directors of the Company then still in office who were directors of the Company at the beginning of any such period; or



(iv) There shall be consummated any sale, lease, exchange, or other transfer (in one transaction or a series of related transactions) of all, or substantially all, of the assets of the Company (on a consolidated basis) to a party which is not controlled by or under common control with the Company.

2.5 "CIS" means Cass Information Systems, Inc.

2.6 "Common Stock" means the common stock of the Company.

2.7 "Company" means Cass Commercial Corporation.

2.8 "Compensation Committee" means the Compensation Committee of the Board.

2.9 "Exercise Price" means the price per share which must be paid to the Company by an Optionee to purchase Option Shares, exclusive of any required reimbursement to the Company for federal and state withholding taxes payable by the Company as a result of such purchase.

2.10 "Expiration Date" with respect to Option Shares means the first Business Day in January of the seventh (7th) calendar year after the year in which the Option is granted; except that with respect to any Option Shares (and only those Option Shares) for which the Vesting Date shall have been accelerated as provided in paragraph 5.4 of this Plan, "Expiration Date" means the first Business Day in January of the tenth (10th) calendar year after the year in which the Option is granted.

2.11 "Fair Market Value" of a share of Common Stock means (i) the average last sale price for a share of Common Stock for the last completed calendar month preceding the date Fair Market Value is determined, as reported to the Company by the NASDAQ Stock Market, or (ii) fair market value calculated by such other method as the Compensation Committee may deem appropriate in its sole discretion.

2.12 "NI Growth" with respect to the Company means one-third of the percentage growth in the Company's net after-tax income between the fourth calendar year preceding the year in which NI Growth is calculated and the calendar year immediately preceding the year in which NI Growth is calculated; "NI Growth" with respect to Cass Bank means a percentage calculated in the same manner using Cass Bank's net after-tax income for the applicable periods; and "NI Growth" with respect to CIS means a percentage calculated in the same manner using CIS's net after-tax income for the applicable periods.

2.13 "Option" means a right granted to purchase up to a specified number of shares of Common Stock pursuant to this Plan.

2.14 "Option Agreement" means a contract between the Company and an Optionee, substantially in the form of Exhibit A hereto, setting forth the

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specific terms and conditions of an Option.

2.15 "Option Shares" means shares of Common Stock which are subject to issuance upon full or partial exercise of an Option.

2.16 "Optionee" means a person to whom an Option has been granted and who has entered into an Option Agreement.

2.17 "Performance Matrix" means, as the case may be, Schedule I (the -----  
"CCC Performance Matrix"), Schedule II (the "Cass Bank Performance Matrix") or  
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Schedule III (the "CIS Performance Matrix") attached hereto.  
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2.18 "Plan" means this 1995 Performance-Based Stock Option Plan.

2.19 "ROA Differential" with respect to the Company means the Company's average annual percentage return on assets for the three calendar years immediately preceding the year in which the calculation is made, less the average annual percentage return on assets for bank holding companies in the Company's national peer group for the same period; "ROA Differential" with respect to Cass Bank means Cass Bank's average annual percentage return on assets for the three calendar years immediately preceding the year in which the calculation is made, less the average annual percentage return on assets for banks in Cass Bank's Eighth Federal Reserve District peer group for the same period.

2.20 "Vesting Date" with respect to Option Shares means the first Business Day in January of the seventh (7th) calendar year after the year in which the Option is granted, subject to acceleration as to all or any portion of the Option Shares as provided in paragraphs 5.4 and 5.5 of this Plan.

### 3. GRANTING OF OPTIONS. -----

3.1 The Board may from time to time grant Options to executive officers and other management employees of the Company, Cass Bank or CIS upon the recommendation of the Company's chief executive officer and the Compensation Committee.

3.2 The Board may from time to time grant Options to the Company's chief executive officer upon the recommendation of the Compensation Committee.

3.3 The grant of Options to employees of Cass Bank or CIS shall also be subject to the adoption of this Plan by the board of directors of such subsidiary and to the approval of either the board of directors of such subsidiary or an individual or committee to which approval authority has been delegated by the subsidiary's board of directors.

4. MAXIMUM NUMBER OF OPTION SHARES.  
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4.1 Options may not be granted aggregating more than 400,000 Option Shares; provided that if any Option shall expire without being fully exercised, the unissued Option Shares shall again become available for option under this Plan.

4.2 In the event of any stock dividend on, reclassification, split-up or combination of, or other change in, the Common Stock, then the number or kind of shares for which Options may be granted hereunder shall be correspondingly added to, reclassified, increased, diminished or changed proportionately.

4.3 The Company shall at all times reserve a number of shares of Common Stock for issuance hereunder equal to the number of Option Shares for which Options are then outstanding, which reserved shares may consist of previously-unissued shares or treasury shares or any combination thereof.

5. TERMS AND CONDITIONS OF OPTIONS.  
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5.1 Option Agreement. No person shall have any rights under any Option unless and until he or she shall have entered into an Option Agreement with respect to such Option substantially in the form of Exhibit A, the terms

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and conditions of which are hereby incorporated into this Plan.

5.2 Exercise Price. The Exercise Price of each Option shall be determined by the Compensation Committee, but shall not be less than Fair Market Value as of the date the Option is granted. The Option Agreement may permit the Exercise Price to be paid in shares of Common Stock, valued for this purpose at their Fair Market Value on the date of exercise.

5.3 Dates of Exercise of Options. Except as otherwise expressly provided in the Option Agreement, an Option may be exercised as to any Option Shares only (i) on or after the Vesting Date with respect to such Option Shares and (ii) on or before the Expiration Date with respect to such Option Shares.

5.4 Possibility of Accelerated Vesting. The Vesting Date with respect to all Option Shares shall be subject to acceleration as follows:

(i) Each Option shall be eligible to be considered for accelerated vesting beginning with the annual determinations of NI Growth and ROA Differential made in the second calendar year after the Option is granted, so that the earliest possible Vesting Date for any Option Shares shall be the first Business Day in January of the third year after it is granted.

[FN]

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Increased from 200,000 shares pursuant to 2:1 stock split in the form of a stock dividend, March 15, 1997.

(ii) As early in each calendar year as the necessary information is available, the Compensation Committee shall calculate NI Growth and ROA Differential for each entity required, calculating the percentages in each case to two decimal places (i.e. 1/100 of 1%).

(iii) Using the applicable Performance Matrix, the Compensation Committee shall then determine, for each Option eligible for accelerated vesting, the percentage (if any) of Option Shares which shall be subject to an accelerated Vesting Date, calculating such percentage to one decimal place (i.e. 1/10 of 1%). The applicable Performance Matrix shall be the Performance Matrix for the Optionee's employer, except that (A) in the case of Options granted to employees of CIS, the CCC Performance Matrix and the CIS Performance Matrix shall both be used, and the two resulting percentages shall be averaged, and (B) in the case of Options granted to employees of Cass Bank, the CCC Performance Matrix and the Cass Bank Performance Matrix shall both be used, and the two resulting percentages shall be averaged. No more than 30% of the Option Shares shall be subject to accelerated vesting in any year.

(iv) The percentages so obtained shall be multiplied by the total original number of Option Shares, and the Vesting Date for the resulting number of Option Shares shall be accelerated from the original Vesting Date to the first Business Day in January of the calendar year following the year in which the determination was made.

(v) The Compensation Committee shall promptly notify each Optionee of the percentage and number of Option Shares as to which the Vesting Date shall have been accelerated, and the resulting Vesting Date for such Option Shares.

(Example of timing: With respect to Options granted in 1995, the

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 first calculations shall be made in 1997, with NI Growth calculated on net income growth from 1993 to 1996 and ROA Differential calculated over the years 1994 through 1996; the Vesting Date for the resulting number of Option Shares shall be accelerated from January 2, 2002 to January 2, 1998.)

5.5 Automatic Acceleration of Vesting in the Event of a Change in Control. The Vesting Date shall be automatically accelerated, and all Options then outstanding under this Plan shall become immediately exercisable in full upon the first to occur of (i) a Change in Control, or (ii) the approval by the Board of a Change in Control, or (iii) 10 days before the record date, if any, for determining the shareholders of the Company eligible to vote on a proposed Change in Control, or (iv) 10 days before the last date for determining the shareholders of the Company eligible to participate in any Change in Control in which the Company's common stock would be sold, exchanged or converted for or into cash, property

or other securities; provided that if (A) the Company remains in existence and continues to carry on its business following the Change in Control, and (B) the Common Stock continues to be listed for trading with the Nasdaq Stock Market after the Change in Control, and (C) after the Change in Control, no person or group of persons acting in concert possesses more than a majority of the voting power for the election of directors of the Company, then such acceleration of the Vesting Date shall occur only if and to the extent that acceleration of the Vesting Date is provided for in an individual Option Agreement. A Change in Control shall not extend the Expiration Date of an Option except as provided in an individual Option Agreement.

6. Duration of Plan.

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Options may be granted under this Plan from the date on which it is adopted by the Board until the effective date of its termination by the Board; however, Options granted prior to termination of this Plan shall remain effective thereafter in accordance with their terms.

7. Administration of Plan.

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7.1 The Compensation Committee shall have the power to interpret the Plan and to make rules and establish procedures for determining the Exercise Price, for establishing procedures for making the various calculations called for hereunder, and otherwise for carrying out the Plan. Any such interpretations, rules, procedures or determinations, and any decisions by the Compensation Committee or the Board as to the employees eligible to receive Options and the terms thereof, shall be conclusive on the Company, its subsidiaries and their respective successors and assigns, and on the Optionee and his or her heirs, personal and legal representatives and assigns.

7.2 The Board may extend, amend or terminate the Plan at any time, or modify the terms of any individual Option Agreement, in its discretion; however, no extension, amendment or termination shall adversely affect the rights of an Optionee under any Option then in effect, except as the Company and the Optionee may otherwise agree.

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ATTACHMENTS:

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Exhibit A -- Option Agreement Form

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Schedule I -- CCC Performance Matrix: NI Growth / ROA Differential

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Schedule II -- Cass Bank Performance Matrix: NI Growth / ROA Differential

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Schedule III -- CIS Performance Matrix: NI Growth

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CASS COMMERCIAL CORPORATION  
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1995 PERFORMANCE-BASED STOCK OPTION PLAN  
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OPTION AGREEMENT  
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THIS OPTION AGREEMENT is entered into as of -----, 19--, between Cass Commercial Corporation, a Missouri corporation (the "Company"), and

----- (the "Optionee").

WHEREAS, the Company has deemed it to be in its best interests to promote the loyalty and facilitate the retention of its employees and the employees of its subsidiaries in the service of the Company and its subsidiaries, by offering such employees an increased incentive to continue in the service of the Company and its subsidiaries and increase their efforts for its welfare, and

WHEREAS, in furtherance of the above purposes the Optionee's employer has adopted the Company's 1995 Performance-Based Stock Option Plan, and has determined to afford the Optionee an opportunity to purchase shares of common stock of the Company pursuant to the Plan as hereafter described,

NOW, THEREFORE, in consideration of the premises and for other good and valuable consideration, the parties hereto do hereby agree as follows:

1. Definitions. Capitalized terms not otherwise defined herein shall  
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have the same meanings as they are given in the Plan.

2. Grant of Option. The Company hereby grants to the Optionee an  
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Option to purchase all or any part of the number of shares of its Common Stock set forth below (the "Option Shares"), at the purchase price set forth below and on the other terms and conditions herein set forth.

TOTAL NUMBER OF OPTION SHARES: -----

PURCHASE PRICE PER OPTION SHARE: \$-----

3. Dates When Option Exercisable.  
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(a) Except to the extent vesting is accelerated as provided in the Plan or this Option Agreement, the Option shall vest and first become exercisable on the following date:

INITIAL VESTING DATE: JANUARY --, ----;

(b) Except to the extent expiration is extended as provided in the Plan, the Option shall expire, to the extent it has not already been exercised, at the regularly scheduled closing time of the Company's main business office on the following date:

INITIAL EXPIRATION DATE: JANUARY --, ----;

(c) The Company will notify the Optionee of any acceleration of the Vesting Date or any extension of the Expiration Date as provided in the Plan, and the reason therefor.

(d) Except as provided in paragraphs 3(e) and 3(f), the Option may be exercised only if the Optionee shall have continuously served as an employee of the Company or any of its subsidiaries from the date hereof to and including the date of exercise. It is expressly understood and agreed that nothing herein is intended or shall be construed as an employment contract or as implying any obligation on the part of the Optionee's employer to continue the Optionee's employment for any period of time after the date hereof.

(e) Notwithstanding paragraphs 3(b) and 3(d), in the event of the death of the Optionee or termination of the Optionee's employment by reason of his or her disability or incapacity, the Option may be exercised (but only to the extent it was exercisable on the date of the Optionee's death or of such termination of employment), by the Optionee's personal representative, trustee, conservator (if any) or guardian (if any), respectively, in the manner set forth below, for a period of six (6) months after the date of the Optionee's death or of such termination of employment.

(f) Notwithstanding paragraph 3(d), if the Optionee's employment is terminated by the Company other than for Cause during the period beginning upon the first to occur of (i) a Change in Control, or (ii) the approval by the Board of a Change in Control, or (iii) 10 days before the record date, if any, for determining the shareholders of the Company eligible to vote on a proposed Change in Control, or (iv) 10 days before the last date for determining the shareholders of the Company eligible to participate in any Change in Control in which the Company's common stock would be sold, exchanged or converted for or into cash, property or other securities, and ending upon the first to occur of (A) two (2) years after such Change in Control is effected, or (B) the date such proposed Change in Control is abandoned by the parties, then (I) to the extent the Option was not theretofore exercisable, the Vesting Date shall be accelerated as to all Option Shares and the Option shall be exercisable in full, and (II) the Option may be exercised (but only to the extent it was exercisable on the date of termination of the Optionee's employment) by the Optionee or the Optionee's personal representative, trustee, conservator (if any) or guardian (if any), respectively, in the manner set forth below, for a period of six (6) months after the date of the such termination of employment; and if such Change in Control or any subsequent event has resulted in the sale, exchange or conversion of the Common Stock for or into cash, property or other securities, then upon exercise the Optionee shall receive in lieu of Common Stock the cash, property or other securities which the Optionee would have received had the Optionee exercised the Option in full 10 days before the last date for determining the shareholders of the Company eligible to participate in such Change in Control. For purposes of this paragraph, "Cause" means only conduct which is finally adjudged to be knowingly fraudulent, deliberately dishonest or intentional misconduct. The Compensation Committee shall make the determination of whether Cause exists in any particular case, and if it believes that Cause may exist it shall provide the Optionee with notice of the reasons the Committee believes Cause may exist and shall give the Optionee the opportunity to respond to the allegation that Cause exists.

4. Method of Exercising Option. The Optionee, or his or her

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representative as provided in paragraph 3(e) above, may exercise the Option hereby granted on one or more occasions at his or her discretion, on each occasion for all or any part of the Shares for which the Option is then exercisable, by each time delivering to the main business office of the Company, addressed to the attention of its Chief Executive Officer or Secretary, (i) a written notice stating his or her election to exercise the Option and the number of Option Shares to be purchased, together with (ii) any combination of (A) cash or (B) check or (C) shares of Common Stock with such endorsements or other transfer documentation as the Company may require, aggregating full payment of the purchase price of the Option Shares then being purchased plus the amount of any Federal and state withholding taxes payable by the Company or any of its subsidiaries as a result of such exercise. Shares of Common Stock used to exercise of an Option shall be valued at their Fair Market Value on the date of exercise. The Option shall be deemed to be exercised only upon receipt of such notice and payment. The Company will advise the Optionee, upon the Optionee's reasonable prior request, of the required amount of such taxes.

5. Non-Transferability of Option. The Option may be exercised only

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by the Optionee, or by his or her representative as provided in paragraph 3(e) above. The rights granted by this Option may not be assigned, transferred, pledged or hypothecated in any way, other than by will or by operation of law, and shall not be subject to execution, attachment or similar process. In the event of the bankruptcy of the Optionee, or in the event of any prohibited assignment, transfer, pledge, hypothecation or other disposition of the Option, or in the event of the levy of any execution, attachment or similar process upon the Option, the Option shall automatically expire and shall be null and void. Notwithstanding the foregoing, however, with prior notice to the Company the rights granted by this Option may be transferred between the Optionee in his or her personal capacity and the Optionee as trustee of a trust (A) of which the Optionee is both sole trustee and sole beneficiary during his or her lifetime, and (B) all of which is treated under subpart E of Part I of Subchapter J of Chapter 1 of Subtitle A of the Internal Revenue Code of 1986, as amended, as owned by the Optionee.

6. Share Adjustments. In the event of any stock dividend on,

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reclassification, split-up or combination of, or other change in, the Company's common stock, then the number or kind of Option Shares shall be correspondingly added to, reclassified, increased, diminished or changed proportionately, without increase or decrease in the aggregate purchase price of all Option Shares.

7. No Rights of Optionee as Shareholder. The Optionee shall have no

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rights respecting this Option or the Option Shares except as expressly set forth herein or in the Plan, a copy of which the Optionee hereby acknowledges having received; and the Optionee shall have no rights as a shareholder with respect to any Option Shares until this Option has been duly exercised as to such Option Shares in accordance with the terms hereof. The grant of this Option shall not affect in any way the right or power of the Company to make adjustments, reclassifications, reorganizations or changes of its common stock or its capital or business structure, or to merge or to consolidate, or to dissolve or liquidate, or to sell or transfer any or all of its business or assets.



8. General. The Company shall at all times during the term of this

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Option reserve and keep available a number of shares of common stock equal to the number of Option Shares, and shall pay any original issue or transfer taxes with respect to the issue of Option Shares pursuant hereto and all other fees and expenses necessarily incurred by the Company incurred in connection therewith.

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

Company: CASS COMMERCIAL CORPORATION

By: -----

Title: -----

Optionee: -----

Armstrong, Teasdale, Schlafly & Davis  
A Partnership Including Professional Corporations  
Attorneys and Counselors  
One Metropolitan Square, Suite 2600  
St. Louis, Missouri 63102-2740  
(314) 621-5070  
Fax: (314) 621-5065

Kansas City, Missouri  
Belleville, Illinois  
Olathe, Kansas

January 14, 1998

Board of Directors  
Cass Commercial Corporation  
13001 Hollenberg Drive  
Bridgeton, Missouri 63044

Gentlemen:

In our capacity as counsel for Cass Commercial Corporation, a Missouri corporation (the "Company"), we have examined the Registration Statement on Form S-8 (the "Registration Statement") in form as proposed to be filed by the Company with the Securities and Exchange Commission under the provisions of the Securities Act of 1933, as amended, on or about January 15, 1998 relating to up to 200,000 shares of common stock, par value \$0.50 per share (the "Company Common Stock"), to be offered by the Company pursuant to the Registration Statement in connection with the Company's 1995 Performance-Based Stock Option Plan (the "Plan"). In this connection, we have examined such records, documents and proceedings as we deem relevant and necessary as a basis for the opinion expressed herein.

Upon the basis of the foregoing, we are of the opinion that the shares of Company Common Stock referred to above have been duly and validly authorized and, when issued pursuant to the provisions of the Plan, will be duly and validly issued, fully paid and non-assessable.

We hereby consent to filing of this opinion with the Securities and Exchange Commission as an exhibit to the Registration Statement.

Very truly yours,

s/ARMSTRONG, TEASDALE,  
SCHLAFLY & DAVIS

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## Independent Auditors' Consent

The Board of Directors  
Cass Commercial Corporation:

We consent to the incorporation by reference in the registration statement on Form S-8 of Cass Commercial Corporation (Cass) of our report dated January 24, 1997, relating to the consolidated balance sheets of Cass and subsidiaries as of December 31, 1996 and 1995, and the related consolidated statements of income, stockholders' equity, and cash flows for each of the years in the three-year period ended December 31, 1996, which report appears in the December 31, 1996 annual report on Form 10-K of Cass.

s/KPMG PEAT MARWICK LLP

St. Louis, Missouri  
January 7, 1998