
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, D.C. 20549
**AMENDMENT NO. 1 TO
FORM S-3**
**REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933**

MACATAWA BANK CORPORATION

(Exact name of registrant as specified in its charter)

Michigan
(State or other jurisdiction of
incorporation or organization)

38-3391345
(I.R.S. Employer
Identification Number)

10753 Macatawa Drive, Holland, Michigan 49424
(616) 820-1444

(Address, including zip code, and telephone number, including area code,
of registrant's principal executive offices)

Jon W. Swets
Senior Vice President and Chief Financial Officer
10753 Macatawa Drive, Holland, Michigan 49424
(616) 820-1444

Copies of
communication to:

Gordon R. Lewis
Warner Norcross & Judd LLP
900 Fifth Third Center
111 Lyon Street, N.W.
Grand Rapids, Michigan 49503-2487
(616) 752-2752

(Name, address, including zip code, and
telephone number, including area code,
of agent for service)

Approximate date of commencement of proposed sale to the public: From time to time after this registration statement becomes effective.

If the only securities being registered on this Form are being offered pursuant to dividend or interest reinvestment plans, please check the following box:

If any of the securities being registered on this Form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, other than securities offered only in connection with dividend or interest reinvestment plans, check the following box:

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, please check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If this Form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If this Form is a registration statement pursuant to General Instruction I.D. or a post-effective amendment thereto that shall become effective upon filing with the Commission pursuant to Rule 462(e) under the Securities Act, check the following box.

If this Form is a post-effective amendment to a registration statement filed pursuant to General Instruction I.D. filed to register additional securities or additional classes of securities pursuant to Rule 413(b) under the Securities Act, check the following box.

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer

Accelerated filer

Non-accelerated filer

Smaller reporting company

CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities to be Registered	Amount to be Registered	Proposed Maximum Offering Price Per Unit (1)	Proposed Maximum Aggregate Offering Price (1)	Amount of Registration Fee
Common stock, no par value	6,922,508	\$5.1705	\$35,792,827.61	\$4,301.28(2)(3)

- (1) Estimated solely for the purpose of calculating the registration fee pursuant to Rule 457(c) under the Securities Act of 1933, as amended, based on the average high and low reported sales prices on NASDAQ Global Select Market on January 15, 2013.
- (2) Represents the registration fee for this registration statement calculated pursuant to Rule 457 under the Securities Act of 1933, as amended, of \$4,610.12, less the \$308.84 balance held by the Securities and Exchange Commission. The balance with the Securities and Exchange Commission originated from the registrant overpaying registration fees in connection with prior filings.
- (3) \$4,610.12 was previously paid in connection with the initial filing of this registration statement on January 17, 2014.

The registrant hereby amends this registration statement on such date or dates as may be necessary to delay its effective date until the registrant shall file a further amendment which specifically states that this registration statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933 or until this registration statement shall become effective on such date as the Commission, acting pursuant to Section 8(a), may determine.

The information in this prospectus is not complete and may be changed. The securities subject to this prospectus may not be sold until the registration statement filed with the Securities and Exchange Commission is effective. This prospectus is not an offer to sell these securities and it is not soliciting offers to buy these securities in any jurisdiction where the offer or sale is not permitted.

SUBJECT TO COMPLETION, DATED MARCH 3, 2014

PROSPECTUS

MACATAWA BANK CORPORATION

6,922,508 Shares of Common Stock

This prospectus relates to the potential resale from time to time of up to 6,922,508 shares of our common stock, no par value, by selling shareholders to be named in a prospectus supplement. The selling shareholders, or their transferees or other successors-in-interest, may offer the shares of common stock from time to time through public or private transactions at prevailing market prices, at prices related to prevailing market prices or at privately negotiated prices.

We are not selling any shares of common stock and will not receive any proceeds from the sale by selling shareholders of any shares of common stock under this prospectus. We may pay certain registration and offering fees and expenses.

Macatawa common stock is traded on the NASDAQ Global Select Market under the symbol MCBC. The last sale price of Macatawa's common stock reported by Nasdaq on February 28, 2014, was \$5.28 per share.

Investing in our common stock involves risks. See "Risk Factors" on page 2.

NEITHER THE SECURITIES AND EXCHANGE COMMISSION NOR ANY STATE SECURITIES COMMISSION HAS APPROVED OR DISAPPROVED OF THESE SECURITIES OR PASSED UPON THE ADEQUACY OR ACCURACY OF THIS PROSPECTUS. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

The date of this prospectus is [], 2014.

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ABOUT THIS PROSPECTUS

This prospectus is part of a registration statement that we filed with the Securities and Exchange Commission ("Commission") utilizing a "shelf" registration process or continuous offering process. Under this shelf registration process, the selling shareholders may, from time to time, sell the securities described in this prospectus in one or more offerings. This prospectus provides you with a general description of the securities which may be offered by the selling shareholders. Each time a selling shareholder sells securities, the selling shareholder is required to provide you with this prospectus and a prospectus supplement containing specific information about the selling shareholder and in certain cases, the terms of the securities being offered. That prospectus supplement may include additional risk factors or other special considerations applicable to those securities. Any prospectus supplement may also add, update, or change information in this prospectus. If there is any inconsistency between the information in this prospectus and any prospectus supplement, you should rely on the information in the prospectus supplement. The obligation to deliver a prospectus and prospectus supplement may be satisfied under certain conditions by the Company's filing of a prospectus or prospectus supplement with the Commission and public access to these documents through the Commission's EDGAR system. This prospectus may also be supplemented and updated by the Company filing reports with the Commission which are incorporated by reference in this prospectus. You should read both this prospectus and any prospectus supplement together with additional information described under "Where You Can Find More Information" and "Incorporation of Certain Information By Reference."

As used in this prospectus, the terms "we," "our," "us," "MCBC," "Macatawa," and the "Company" refer to Macatawa Bank Corporation and its consolidated subsidiary, unless the context indicates otherwise.

You should rely only on the information contained or incorporated by reference into this prospectus and in any accompanying prospectus supplement. We have not authorized any other person to provide you with different or additional information. If anyone provides you with different or additional information, you should not rely on it. You should assume that the information appearing in this prospectus, any prospectus supplement and any other document incorporated by reference is accurate only as of the date of those documents. Our business, risk factors, financial condition, results of operations and prospects may have materially changed since those dates.

Under no circumstances should the delivery of this prospectus to you create any implication that the information contained in this prospectus is correct as of any time after the date of this prospectus.

PROSPECTUS SUMMARY

This summary highlights information contained elsewhere and incorporated by reference in this prospectus. This summary does not contain all of the information you should consider before investing in our common stock. You should read this entire prospectus and any prospectus supplement carefully, including the information incorporated by reference in this prospectus and any prospectus supplement, before making an investment decision.

Our Company

Macatawa Bank Corporation is a Michigan corporation and a registered bank holding company. It wholly-owns Macatawa Bank, Macatawa Statutory Trust I and Macatawa Statutory Trust II. Macatawa Bank is a Michigan chartered bank with depository accounts insured by the Federal Deposit Insurance Corporation. The bank operates twenty-six branch offices and a lending and operational service facility offering commercial and personal banking services, including checking, savings and certificates of deposit accounts, cash management, safe deposit boxes, travelers checks, money orders, trust services and commercial, mortgage and consumer loans in Kent County, Ottawa County, and northern Allegan County, Michigan. Other services we offer include ATMs, internet banking, telephone banking and debit cards. Macatawa Bank provides various brokerage services including discount brokerage through Infinex, personal financial planning and consultation regarding mutual funds. Macatawa Statutory Trust I is a grantor trust that issued a pooled trust preferred security in 2003. Macatawa Statutory Trust II is a grantor trust that issued a pooled trust preferred security in 2004. As of December 31, 2013, we had total assets of \$1.52 billion, total loans of \$1.04 billion, total deposits of \$1.25 billion and shareholders' equity of \$132.5 million.

Our headquarters and administrative offices are located at 10753 Macatawa Drive, Holland, Michigan 49424, and our telephone number is (616) 820-1444. Our internet website address is www.macatawabank.com. We make available free of charge through this website our annual report on Form 10-K, our quarterly reports on Form 10-Q and our current reports on Form 8-K and amendments to those reports as soon as reasonably practicable after filing such reports with the Commission. The reference to our website address does not constitute incorporation by reference of the information contained on the website, and the information contained on the website is not part of this document.

The Offering

Securities Offered	6,922,508 shares of common stock
Use of proceeds	We will not receive any proceeds from the sale by selling shareholders of shares of common stock under this prospectus. See "Use of Proceeds."
Risk Factors	You should carefully read and consider the information set forth under the heading "Risk Factors" in this prospectus, in our Annual Report on Form 10-K for the fiscal year ended December 31, 2013, in any reports subsequently filed with the Commission, and the other information included in or incorporated by reference into this prospectus before making an investment decision.
Nasdaq Symbol for Common Stock	MCBC

RISK FACTORS

An investment in our securities involves a high degree of risk. Before making an investment decision, you should carefully consider the information included or incorporated by reference into this prospectus and any prospectus supplement and the risks related to the Company described under the heading "Risk Factors" in our Annual Report on Form 10-K for the year ended December 31, 2013 and all of our subsequent Annual Reports on Form 10-K and Quarterly Reports on Form 10-Q, which are incorporated by reference into this prospectus and any prospectus supplement in their entirety, as they may be amended, supplemented or superseded from time to time by other reports we file with the Commission in the future. Our risk factors will change with the passage of time. You should always review and consider the discussion of risk factors and forward-looking statements in our most recent Form 10-K and Annual Report and subsequent Form 10-Q Quarterly Reports before you make an investment decision.

FORWARD-LOOKING STATEMENTS

This prospectus and any prospectus supplement and the documents incorporated by reference into this prospectus and any prospectus supplement contain forward-looking statements that are based on management's beliefs, assumptions, current expectations, estimates and projections about the financial services industry, the economy, and Macatawa Bank Corporation. Forward-looking statements are identifiable by words or phrases such as "outlook", "plan" or "strategy"; that an event or trend "may", "should", "will", "is likely", or is "probable" to occur or "continue", has "begun" or "is scheduled" or "on track" or that the Company or its management "anticipates", "believes", "estimates", "plans", "forecasts", "intends", "predicts", "projects", or "expects" a particular result, or is "committed", "confident", "optimistic" or has an "opinion" that an event will occur, or other words or phrases such as "ongoing", "future", "signs", "efforts", "tend", "exploring", "appearing", "until", "near term", "going forward", "focus", "starting", "initiative," "trend" and variations of such words and similar expressions. Such statements are based upon current beliefs and expectations and involve substantial risks and uncertainties which could cause actual results to differ materially from those expressed or implied by such forward-looking statements. These statements include, among others, future levels of earning assets, statements related to stabilization of our loan portfolio, trends in credit quality metrics, future capital levels and capital needs, including the impact of Basel III, real estate valuation, future levels of repossessed and foreclosed properties and nonperforming assets, future levels of losses and costs associated with the administration and disposition of repossessed and foreclosed properties and nonperforming assets, future levels of loan charge-offs, future levels of other real estate owned, future levels of provisions for loan losses, the rate of asset dispositions, future dividends, future growth and funding sources, future cost of funds, future liquidity levels, future profitability levels, future FDIC assessment levels, future net interest margin levels, building and improving our investment portfolio, diversifying our credit risk, the effects on earnings of changes in interest rates, future economic conditions, future effects of new or changed accounting standards, future loss recoveries, future balances of short-term investments, future loan demand and loan growth, future levels of mortgage banking revenue and the future level of other revenue sources. Management's determination of the provision and allowance for loan losses, the appropriate carrying value of intangible assets (including deferred tax assets) and other real estate owned, and the fair value of investment securities (including whether any impairment on any investment security is temporary or other-than-temporary and the amount of any impairment) involves judgments that are inherently forward-looking. All statements with references to future time periods are forward-looking. All of the information concerning interest rate sensitivity is forward-looking. Our ability to sell other real estate owned at its carrying value or at all, successfully implement new programs and initiatives, increase efficiencies, maintain our current levels of deposits and other sources of funding, maintain liquidity, respond to declines in collateral values and credit quality, increase loan volume, originate high quality loans, maintain or improve mortgage banking income, realize the benefit of our deferred tax assets, resume payment of dividends and improve profitability is not entirely within our control and is not assured. The future effect of changes in the real estate, financial and credit markets and the national and regional economy on the banking industry, generally, and Macatawa Bank Corporation, specifically, are also inherently uncertain. These statements are not guarantees of future performance and involve certain risks, uncertainties and assumptions ("risk factors") that are difficult to predict with regard to timing, extent, likelihood and degree of occurrence. Therefore, actual results and outcomes may materially differ from what may be expressed or forecasted in such forward-looking statements. Macatawa Bank Corporation does not undertake to update forward-looking statements to reflect the impact of circumstances or events that may arise after the date of the forward-looking statements.

Risk factors include, but are not limited to, the risk factors described under the heading "Risk Factors" in our Annual Report on Form 10-K for the year ended December 31, 2013 and all of our subsequent Annual Reports on Form 10-K and Quarterly Reports on Form 10-Q. These and other factors are representative of the risk factors that may emerge and could cause a difference between an ultimate actual outcome and a preceding forward-looking statement.

USE OF PROCEEDS

We will not receive any proceeds from the sale by selling shareholders of shares of common stock under this prospectus.

DETERMINATION OF OFFERING PRICE

We are not selling any shares of common stock under this prospectus. We will not have any control over the price at which selling shareholders offer and sell shares of common stock under this prospectus. The price at which shares are offered and sold by selling shareholders will be determined by the selling shareholders, their purchasers and market conditions at the time of the offer and sale.

SELLING SHAREHOLDERS

This prospectus relates to the possible sale from time to time of shares of our common stock by certain of our shareholders. Certain shares of our common stock included in this prospectus for resale by the selling shareholders were acquired when all of the outstanding shares of the Company's Series A Noncumulative Perpetual Preferred Stock, Liquidation Preference Amount \$1,000 per share, and Series B Noncumulative Perpetual Preferred Stock, Liquidation Preference Amount \$1,000 per share, were canceled and exchanged by the Company for shares of common stock. The remaining shares of common stock that may be offered by the selling shareholders were acquired when the holder of the Company's 2% Subordinated Note due 2018 in the aggregate principal amount of \$1,000,000 converted that note into shares of common stock in accordance with the terms of the note. Information about the selling shareholders will be set forth in an applicable prospectus supplement. The initial purchasers of these securities, as well as their transferees, pledgees, donees or successors, all of whom are referred to herein as "selling shareholders," may from time to time offer and sell such securities pursuant to this prospectus and any applicable prospectus supplement. Some of the selling shareholders are affiliates of the Company.

An applicable prospectus supplement will set forth the name of each selling shareholder, the nature of any position, office, or other material relationship which any selling shareholder has had within the past three years with Macatawa or any of its predecessors or affiliates, if any, the amount of our common stock owned by each selling shareholder prior to the offering, the amount of our common stock which may be offered for each selling shareholder's account, and the amount and (if one percent or more) the percentage of our common stock to be owned by each selling shareholder after completion of the offering.

The selling shareholders shall not sell any shares of our common stock pursuant to this prospectus until we have identified such selling shareholders and the shares of our common stock which may be offered for resale by such selling shareholders in a subsequent prospectus supplement. However, the selling shareholders may sell or transfer all or a portion of their shares of common stock pursuant to any available exemption from the registration requirements of the Securities Act of 1933, as amended ("Securities Act").

PLAN OF DISTRIBUTION

The shares of common stock covered by this prospectus may be offered and sold from time to time by the selling shareholders or the selling shareholders' pledgees, donees, transferees or other successors-in-interest who have received from the selling shareholders shares as a gift, pledge, partnership distribution or other non-sale related transfer. The selling shareholders will act independently of us in making decisions with respect to the timing, manner, price and size of each sale. Such sales may be made at fixed prices that may be changed, at prices and under terms then prevailing or at prices related to the then current market price or in negotiated transactions or otherwise in accordance with the rules of the applicable exchange or market. The selling shareholders may sell their shares by one or more of, or a combination of, the following methods:

- purchases by a broker-dealer as principal and resale by such broker-dealer for their own accounts pursuant to this prospectus;
- ordinary brokerage transactions and transactions in which the broker solicits purchasers;
- crosses;
- a transaction on the NASDAQ Global Select Market;
- in privately negotiated transactions;
- through the distribution of the shares to a shareholder's partners, members or shareholders;
- in options transactions, including through the writing of put or call options (whether those options are listed on an options exchange or otherwise) relating to the shares to be resold pursuant to this prospectus, or the short sales; and
- loans or pledges of shares to broker-dealers or other financial institutions, which in turn may sell such shares.

In addition, any shares that qualify for sale pursuant to Rule 144 may be sold under Rule 144 rather than under this prospectus.

In offering the shares covered by this prospectus, the selling shareholders and any underwriters, broker-dealers, or agents that participate in the distribution of shares covered by this prospectus may be deemed to be "underwriters" within the meaning of the Securities Act in connection with such sales. Selling shareholders who are deemed to be "underwriters" within the meaning of Section 2(11) of the Securities Act will be subject to the prospectus delivery requirements of the Securities Act. To the extent selling shareholders may be deemed to be "underwriters," they may be subject to statutory liabilities, including, but not limited to, Sections 11, 12 and 17 of the Securities Act, and Rule 10b5-1 under the Securities Exchange Act of 1934. The selling shareholders may indemnify any underwriter, broker-dealer, or agent that participates in transactions involving the sale of shares against certain liabilities, including liabilities arising under the Securities Act.

In order to comply with the securities laws of certain states, if applicable, the shares must be sold in such jurisdictions only through registered or licensed brokers or dealers. In addition, in certain states the shares may not be sold unless it has been registered or qualified for sale in the applicable state or an exemption from the registration or qualification requirement is available and is complied with.

We will make copies of this prospectus available to the selling shareholders for the purpose of satisfying the prospectus delivery requirements of the Securities Act. To the extent required, this prospectus may be amended or supplemented from time to time to describe a specific plan of distribution. As of the date of this prospectus, the Company is not aware of any plans, arrangements or undertakings between any selling shareholder and any underwriter, broker-dealer or agent regarding the sale of the shares by the selling shareholders. At the time a particular offer of shares is made pursuant to this prospectus, if required, a prospectus supplement will be filed that will set forth the amount of shares being offered and the terms of the offering, including the name of any underwriter, dealer or agent, the purchase price paid by any underwriter, any discount, commission and other item constituting compensation, any discount, commission or concession allowed or reallocated or paid to any dealer, and the proposed selling price to the public.

EXPERTS

The consolidated financial statements as of and for the years ended December 31, 2013 and 2012 and management's assessment of the effectiveness of internal control over financial reporting as of December 31, 2013 incorporated by reference in this Prospectus have been so incorporated in reliance on the reports of BDO USA, LLP, an independent registered public accounting firm, incorporated herein by reference, given on the authority of said firm as experts in auditing and accounting.

LEGAL MATTERS

The validity of the shares of Macatawa common stock that are covered by this prospectus have been passed upon for Macatawa by Warner Norcross & Judd LLP, 900 Fifth Third Center, 111 Lyon Street NW, Grand Rapids, Michigan 49503.

WHERE YOU CAN FIND MORE INFORMATION

Macatawa files annual, quarterly and current reports, proxy statements and other information with the Commission. You may read and copy any materials we file with the Commission at the Commission's Public Reference Room at 100 F Street, N.E., Washington, D.C. 20549. The public may obtain information on the operation of the Public Reference Room by calling the Commission at 1-800-SEC-0330. The Commission maintains an Internet site that contains reports, proxy and information statements and other information regarding issuers that file electronically with the SEC. The address of the Commission's web site is <http://www.sec.gov>. Our website is <http://www.macatawabank.com>.

This prospectus is part of a registration statement on Form S-3 filed by Macatawa with the Commission to register the shares of common stock that may be sold in this offering. This prospectus does not include all of the information contained in the registration statement. For further information about Macatawa and the securities offered by this prospectus, you should review the registration statement and the information incorporated by reference therein. You can inspect or copy the registration statement, at prescribed rates, at the Commission's public reference facilities at the address listed above.

INCORPORATION OF CERTAIN INFORMATION BY REFERENCE

The Commission allows Macatawa to "incorporate by reference" information into this prospectus, which means that Macatawa can disclose important information to you by referring you to documents filed separately with the Commission. The information incorporated by reference is considered part of this prospectus, and information that Macatawa files later with the Commission will automatically update and supersede this information.

This prospectus incorporates by reference the documents listed below that Macatawa previously filed with the Commission. Macatawa's Commission file number is 000-25927. These documents contain important information about Macatawa:

- Annual Report on Form 10-K for the fiscal year ended December 31, 2013 filed on February 20, 2014;
- Current Reports on Form 8-K filed on January 6, 2014 and February 24, 2014, and on Form 8-K/A filed on January 29, 2014 and February 3, 2014.
- The description of our common stock included in our registration statement on Form 8-A filed under Section 12 of the Securities Exchange Act of 1934, as amended, filed on April 30, 1999.

Macatawa also incorporates by reference all documents subsequently filed by it pursuant to Sections 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act of 1934 after the date of the initial filing of the registration statement of which this prospectus is a part and prior to the termination of the offering. Notwithstanding the foregoing, information "furnished" by Macatawa under any item of any current report on Form 8-K, including the related exhibits, is not incorporated by reference in this prospectus. Upon written or oral request, Macatawa will provide without charge to each person to whom a prospectus is delivered, including any beneficial owner, a copy of

any or all of the information that has been incorporated by reference in this prospectus. If you would like to obtain this information from Macatawa, please direct your request, either in writing or by telephone, to the Secretary, Macatawa Bank Corporation, 10753 Macatawa Drive, Holland, Michigan 49424, telephone number (616) 820-1444. Our SEC filings are also available to the public in the "Investor Relations" section of our website, www.macatawabank.com.

PART II

INFORMATION NOT REQUIRED IN PROSPECTUS

Item 14. OTHER EXPENSES OF ISSUANCE AND DISTRIBUTION.

The following table sets forth the costs and expenses in connection with the offering and sale of common stock being registered (all amounts are estimated except the Securities and Exchange Commission registration fee). The Company will bear all costs and expenses of the offering.

Securities and Exchange Commission Registration Fee	\$4,610.12
Legal Fees and Expenses	\$10,000.00
Accounting Fees and Expenses	\$5,500.00
Miscellaneous	\$1,000.00
Total	\$21,110.12

Item 15. INDEMNIFICATION OF DIRECTORS AND OFFICERS.

Sections 450.1561 through 450.1565 of the Michigan Business Corporation Act contain specific provisions relating to indemnification of directors and officers of Michigan corporations. In general, the statute provides that (a) a corporation must indemnify a director or officer who is wholly successful in his defense of a proceeding to which he is a party because of his status as such, and (b) a corporation may indemnify a director or officer if he is not wholly successful in such defense, if it is determined as provided in the statute that the director meets a certain standard of conduct and upon an evaluation of the reasonableness of expenses and amount paid in settlement. The statute also permits a director or officer of a corporation who is a party to a proceeding to apply to the courts for indemnification or advance of expenses, and the court may order indemnification or advancement of expenses under certain circumstances set forth in the statute. The statute further provides that a corporation may, in its articles of incorporation, in its bylaws, through a resolution, or through a contract provide indemnification in addition to that provided by statute, subject to certain conditions set forth in the statute.

Our articles of incorporation require indemnification of any Macatawa director or executive who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding because he or she is or was a director or executive officer, or is or was serving at the request of Macatawa in another capacity, to the fullest extent permitted by law. We may also indemnify any person who is not a director or executive officer, if the indemnification is authorized by the board of directors.

Our bylaws implement the mandatory indemnification required by our articles of incorporation. The bylaws provide procedures and standards for determination, evaluation and authorization of indemnification. Under the bylaws, we are required to pay or reimburse the reasonable expenses incurred by a director or officer who is a party to a proceeding before final disposition of the proceeding if the person furnishes a written undertaking to repay the advance if it is ultimately determined that the person did not meet the applicable standard of conduct, if any, required by statute for indemnification. The indemnification provisions in our bylaws are enforceable as a contract.

Macatawa has entered into Indemnification Agreements with certain of its directors that provide for additional indemnity protection for the directors, consistent with the provisions of the Michigan Business Corporation Act.

In addition, Macatawa maintains policies of director and officer liability insurance, under which directors and officers of the Company are insured against certain liabilities arising in connection with the performance of their duties.

Item 16. EXHIBITS.

The following exhibits are filed as part of this registration statement:

<u>Exhibit No.</u>	<u>Description</u>
4.1	Restated Articles of Incorporation. Previously filed with the Commission on April 28, 2011 in Macatawa Bank Corporation's Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2011, Exhibit 3.1. Here incorporated by reference.
4.2	Bylaws. Previously filed with the Commission on November 24, 2009 in Macatawa Bank Corporation's Current Report on Form 8-K, Exhibit 3.1. Here incorporated by reference.
4.3	First Amended Settlement and Release and Warrant Issuance Agreement dated January 30, 2009.
4.4	Second Amended Settlement and Release and Stock and Warrant Issuance Agreement dated April 30, 2009. Previously filed with the Commission on May 8, 2009 in Macatawa Bank Corporation's Quarterly Report on Form 10-Q, Exhibit 10.1. Here incorporated by reference.
4.5	Warrant Agreement between the Macatawa Bank Corporation and Registrar and Transfer Company dated June 16, 2009. Previously filed with the Commission on June 19, 2009 in Macatawa Bank Corporation's Current Report on Form 8-K, Exhibit 4.1. Here incorporated by reference.
4.6	Warrant Agreement Addendum between Macatawa Bank Corporation and Registrar and Transfer Company dated July 27, 2009. Previously filed with the Commission on July 31, 2009 in Macatawa Bank Corporation's Current Report on Form 8-K, Exhibit 4.1. Here incorporated by reference.
4.7	Form of Warrant Certificate (first series). Previously filed with the Commission on June 19, 2009 in Macatawa Bank Corporation's Current Report on Form 8-K, Exhibit 4.2. Here incorporated by reference.
4.8	Form of Warrant Certificate (second series). Previously filed with the Commission on July 31, 2009 in Macatawa Bank Corporation's Current Report on Form 8-K, Exhibit 4.2. Here incorporated by reference.
4.9	Long-Term Debt. The registrant has outstanding long-term debt which at the time of this prospectus does not exceed 10% of the registrant's total consolidated assets. The registrant agrees to furnish copies of the agreements defining the rights of holders of such long-term debt to the Commission upon request.
5	Opinion of Warner Norcross & Judd LLP.
23.1	Consent of BDO USA, LLP, independent registered public accounting firm.
23.2	Consent of Warner Norcross & Judd LLP (included in Exhibit 5).
24	Powers of Attorney. Previously filed with the Commission on January 17, 2014 in Macatawa Bank Corporation's Form S-3 Registration Statement, Exhibit 24. Here incorporated by reference.

Item 17. UNDERTAKINGS.

(a) The undersigned registrant hereby undertakes:

(1) To file, during any period in which offers or sales are being made, a post-effective amendment to this registration statement:

(i) To include any prospectus required by Section 10(a)(3) of the Securities Act of 1933;

(ii) To reflect in the prospectus any facts or events arising after the effective date of the registration statement (or the most recent post-effective amendment thereof) which, individually or in the aggregate, represent a fundamental change in the information set forth in the registration statement. Notwithstanding the foregoing, any increase or decrease in volume of securities offered (if the total dollar value of securities offered would not exceed that which was registered) and any deviation from the low or high end of the estimated maximum offering range may be reflected in the form of prospectus filed with the Commission pursuant to Rule 424(b) if, in the aggregate, the changes in volume and price represent no more than 20% change in the maximum aggregate offering price set forth in the "Calculation of Registration Fee" table in the effective registration statement; and

(iii) To include any material information with respect to the plan of distribution not previously disclosed in the registration statement or any material change to such information in the registration statement;

Provided, however, that the undertakings set forth in paragraphs (a)(1)(i), (a)(1)(ii) and (a)(1)(iii) above do not apply if the information required to be included in a post-effective amendment by those paragraphs is contained in reports filed with or furnished to the Commission by the registrant pursuant to Section 13 or Section 15(d) of the Securities Exchange Act of 1934 that are incorporated by reference in the registration statement, or is contained in a form of prospectus filed pursuant to Rule 424(b) that is part of the registration statement.

(2) That, for the purpose of determining any liability under the Securities Act of 1933, each such post-effective amendment shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

(3) To remove from registration by means of a post-effective amendment any of the securities being registered which remain unsold at the termination of the offering.

(4) That, for the purpose of determining liability under the Securities Act of 1933 to any purchaser:

(i) If the registrant is relying on Rule 430B:

(A) Each prospectus filed by the registrant pursuant to Rule 424(b)(3) shall be deemed to be part of the registration statement as of the date the filed prospectus was deemed part of and included in the registration statement; and

(B) Each prospectus required to be filed pursuant to Rule 424(b)(2), (b)(5), or (b)(7) as part of a registration statement in reliance on Rule 430B relating to an offering made pursuant to Rule 415(a)(1)(i), (vi), or (x) for the purpose of providing the information required by section 10(a) of the Securities Act of 1933 shall be deemed to be part of and included in the registration statement as of the earlier of the date such form of prospectus is first used after effectiveness or the date of the first contract of sale of securities in the offering described in the prospectus. As provided in Rule 430B, for

liability purposes of the issuer and any person that is at that date an underwriter, such date shall be deemed to be a new effective date of the registration statement relating to the securities in the registration statement to which that prospectus relates, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof. *Provided, however,* that no statement made in a registration statement or prospectus that is part of the registration statement or made in a document incorporated or deemed incorporated by reference into the registration statement or prospectus that is part of the registration statement will, as to a purchaser with a time of contract of sale prior to such effective date, supersede or modify any statement that was made in the registration statement or prospectus that was part of the registration statement or made in any such document immediately prior to such effective date; or

(ii) If the registrant is subject to Rule 430C, each prospectus filed pursuant to Rule 424(b) as part of a registration statement relating to an offering, other than registration statements relying on Rule 430B or other than prospectuses filed in reliance on Rule 430A, shall be deemed to be part of and included in the registration statement as of the date it is first used after effectiveness. *Provided, however,* that no statement made in a registration statement or prospectus that is part of the registration statement or made in a document incorporated or deemed incorporated by reference into the registration statement or prospectus that is part of the registration statement will, as to a purchaser with a time of contract of sale prior to such first use, supersede or modify any statement that was made in the registration statement or prospectus that was part of the registration statement or made in any such document immediately prior to such date of first use.

(b) The undersigned registrant hereby undertakes that, for purposes of determining any liability under the Securities Act of 1933, each filing of the registrant's annual report pursuant to section 13(a) or section 15(d) of the Securities Exchange Act of 1934 that is incorporated by reference in the registration statement shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

(c) Insofar as indemnification for liabilities arising under the Securities Act of 1933 may be permitted to directors, officers and controlling persons of the registrant pursuant to the foregoing provisions, or otherwise, the registrant has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the registrant of expenses incurred or paid by a director, officer or controlling person of the registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Act and will be governed by the final adjudication of such issue.

(d) The undersigned registrant hereby undertakes that:

(1) For purposes of determining any liability under the Securities Act of 1933, the information omitted from the form of prospectus filed as part of this registration statement in reliance upon Rule 430A and contained in a form of prospectus filed by the registrant pursuant to Rule 424(b) (1) or (4) or 497(h) under the Securities Act of 1933 shall be deemed to be part of this registration statement as of the time it was declared effective.

(2) For the purpose of determining any liability under the Securities Act of 1933, each post-effective amendment that contains a form of prospectus shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, as amended, the registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Holland, State of Michigan, on March 3, 2014.

MACATAWA BANK CORPORATION

/s/ Ronald L. Haan
By: Ronald L. Haan
Its: Chief Executive Officer

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

Signature	
<u>* /s/ Richard L. Postma</u> Richard L. Postma, Chairman of the Board	March 3, 2014
<u>/s/ Ronald L. Haan</u> Ronald L. Haan, Chief Executive Officer and Director (Principal Executive Officer)	March 3, 2014
<u>/s/ Jon W. Swets</u> Jon W. Swets, Senior Vice President and Chief Financial Officer (Principal Financial Officer)	March 3, 2014
<u>* /s/ Mark J. Bugge</u> Mark J. Bugge, Director	March 3, 2014
<u>* /s/ Wayne J. Elhart</u> Wayne J. Elhart, Director	March 3, 2014
<u>* /s/ Charles A. Geenen</u> Charles A. Geenen, Director	March 3, 2014
<u>* /s/ Robert L. Herr</u> Robert L. Herr, Director	March 3, 2014
<u>* /s/ Birgit M. Klohs</u> Birgit M. Klohs, Director	March 3, 2014
<u>* /s/ Arend D. Lubbers</u> Arend D. Lubbers, Director	March 3, 2014
<u>* /s/ Douglas B. Padnos</u> Douglas B. Padnos, Director	March 3, 2014
<u>* /s/ Thomas P. Rosenbach</u> Thomas P. Rosenbach, Director	March 3, 2014

* /s/ Thomas J. Wesholski
Thomas J. Wesholski, Director

March 3, 2014

* By _____ /s/ Jon W. Swets
Jon W. Swets
Attorney-in-Fact

**FIRST AMENDED
SETTLEMENT AND RELEASE AND STOCK AND WARRANT ISSUANCE
AGREEMENT**

This First Amended Settlement and Release and Stock and Warrant Issuance Agreement (hereinafter "Amended Agreement") is made and entered into by and among the law firms of Nickens, Keeton, Lawless, Farrell & Flack LLP, through Thomas Farrell, and Moulton & Meyer, LLP, through Cynthia R. Levin Moulton, counsel for the majority of Plaintiffs in the Entire Action (defined below), Macatawa Bank Corp. and Macatawa Bank and Richard Deardorff.

DEFINITIONS

For purposes of this Agreement, these terms are defined as follows:

Adamson – *Steven M. Adamson, et al. v. Macatawa Bank Corp. and Macatawa Bank* Case No. CIV-06-1267-T, Western District of Oklahoma.

Amended Agreement – This First Amended Settlement and Release and Stock and Warrant Issuance Agreement, together with all exhibits as amended. To the extent that any exhibit is not amended herewith, the original exhibit is still in force.

Bailey – *Frank V. Bailey, et al. v. Macatawa Bank Corp. and Macatawa Bank* Case No. 3:06-CV-2193-D, Northern District of Texas.

Bank – Macatawa Bank Corp. and Macatawa Bank, collectively.

Bank's Counsel – Warner Norcross & Judd LLP, through William K. Holmes.

Deardorff – Richard Deardorff, individually.

Elkins – *Eddie Elkins, et al. v. Macatawa Bank Corp.*, Case No. 3:07-CV-109-M, Western District of Oklahoma.

Entire Action – Collectively, the State Litigation and the Federal Litigation.

Escrow Agent – Bank of America. N.A.

Federal Insurance Company – An insurance company that issued Policy No. 70234721 to Macatawa Bank Corp..

Federal Litigation – The following cases that were consolidated in a multi-district action pending in the United States District Court for the Western District of Michigan currently styled *In Re Trade Partners, Inc. Investor Litigation*, Case No. 1:07-MD-1846-RHB:

Forrest Jenkins, et al. v. Macatawa Bank Corp. et al. v. Sherry Tedaldi, et al., Case No. 1:03-CV-321, Western District of Michigan (“Jenkins”); *James Lee and Rose Marie Myers, et al. v. Macatawa Bank Corp. and Macatawa Bank*, Case No. CV 06 8009 R (CTx), Central District of California (“Myers”); *Steven M. Adamson, et al. v. Macatawa Bank Corp. and Macatawa Bank*, Case No. CIV-06-1267-T, Western District of Oklahoma (“Adamson”); *Frank V. Bailey, et al. v. Macatawa Bank Corp. and Macatawa Bank*, Case No. 3:06-CV-2193-D, Northern District of Texas (“Bailey”); and *Eddie Elkins, et al. v. Macatawa Bank Corp.*, Case No. 3:07-CV-109-M, Western District of Oklahoma (“Elkins”).

Final Settlement Date – Ten (10) business days after the satisfaction of the last condition set forth in ¶ 1 of this Agreement (or ten (10) business days after the Bank’s election to proceed under ¶ 2.a.ii. if conditions set forth in ¶ 1.c. and/or 1.d. are not satisfied), or April 30, 2009, whichever is earlier.

Jenkins – *Forrest Jenkins, et al. v. Macatawa Bank Corp., et al. v. Sherry Tedaldi, et al.*, Case No. 1:03-CV-321, Western District of Michigan.

Insurers – Collectively **Progressive Casualty Insurance Company** and **Federal Insurance Company**.

Michigan Agent – Richard Hohenstein, who is appointed as resident agent for all settling Plaintiffs who reside outside of the United States of America to receive Warrants from the Special Master pursuant to ¶ 3 of this Agreement. Plaintiffs shall pay the costs of such Michigan Agent.

Myers – *James Lee and Rose Marie Myers, et al. v. Macatawa Bank Corp. and Macatawa Bank*, Case No. CV 06 8009 R (CTx), Central District of California.

Parties – Plaintiffs, the Bank, and Deardorff.

Plaintiffs – the individuals and entities that are listed as “Plaintiffs” in the State Litigation and the Federal Litigation. All Plaintiffs in the Entire Action whose claims have not previously been dismissed are listed on **Exhibit A** to this Agreement.

Plaintiffs’ Counsel – Nickens, Keeton, Lawless, Farrell & Flack LLP, through Thomas Farrell, and Moulton & Meyer, LLP, through Cynthia R. Levin Moulton.

Progressive Casualty Insurance Company – An insurance company that issued Policy No. 1155551-10 to Grand Bank Financial Corporation.

Receiver – Bruce W. Kramer, under appointment by the United States District Court for the Western District of Michigan.

Release – The Agreement to Settle and Conditional Release of All Claims against the Bank and Deardorff in the forms attached as **Exhibits G and H** to this Agreement, as applicable.

Securities Act – The Securities Act of 1933, as amended; 15 USC 77a, *et. seq.*

Settlement Fund – The Consideration collectively referred to in ¶ 3.a. of this Agreement.

Second **Settlement Hearing** – A second hearing to be held by the United States District Court for the Western District of Michigan and the Kent County Circuit Court, respectively, no later than February 27, 2009, to satisfy the requirements of Section 3(a)(10) of the Securities Act, pursuant to SEC Staff Bulletin Number 3A(CF) dated June 18, 2008 and to confirm that the Warrants are exempt from registration under Section 3(a)(10) of the Securities Act, as more fully described in ¶ 1.b. of this Agreement.

Second **Settlement Hearing Order** – An Amended Order entered by the applicable Courts in the Federal Litigation and the State Litigation confirming the fairness of the exchange of the Warrants to be issued for Plaintiffs' claims, and acknowledging that the Warrants are exempt from registration under Section 3(a)(10) of the Securities Act, as more fully described in ¶ 1.b. of this Agreement.

Special Master – The individual or entity appointed by the Court in the Federal Litigation and the State Litigation pursuant to ¶ 3.b. of this Agreement, who shall have the duties described in **Exhibits K and L** to this Agreement.

State Litigation – The consolidated cases currently styled *William A. Giese, et al., v Macatawa Bank and Macatawa Bank Corp.*, Kent County Circuit Court Case No. 06-11707-CZ, pending in the Kent County Circuit Court, Grand Rapids, Michigan.

Third- Party/Counter-defendants – Brokers (also known as Sales Associates) who sold Trade Partners, Inc.'s investments to Plaintiffs, and others who received commissions from Trade Partners, Inc. The Third-Party/Counter-defendants in the Entire Action are listed on **Exhibit B** to this Agreement.

Warrants – Warrants to purchase common stock of Macatawa Bank Corp., as more fully described in ¶ 3.a.iv. of the Agreement.

RECITALS

A. Numerous Plaintiffs commenced the Jenkins, Myers, Adamson, Bailey and Elkins suits against the Bank in various United States District Courts. In addition, Plaintiffs in *Jenkins* also sued Deardorff. These cases were consolidated in the Federal Litigation.

B. Numerous additional Plaintiffs commenced the State Litigation in Kent County, Michigan.

C. Thomas Farrell, of the law firm of Nickens, Keeton, Lawless, Farrell & Flack LLP, and Cynthia R. Levin Moulton, of the law firm of Moulton & Meyer, LLP, represent a majority of the Plaintiffs in the Entire Action.

D. The Bank filed Third-Party Complaints and Counterclaims in every case of the Entire Action against the Third-Party/Counter-defendants.

E. The Bank has denied all material allegations against it in the Entire Action.

F. In an attempt to amicably resolve the differences between the Parties in this matter, Plaintiffs' Counsel, the Bank, and Deardorff mutually agree as follows:

TERMS AND CONDITIONS

1. **Conditions Precedent To Be Satisfied Before Parties' Obligations Pursuant to Paragraph 3 Take Effect** For the obligations and requirements set forth in ¶ 3 of this Agreement to become binding and take effect, all the conditions set forth in this paragraph must be satisfied:

a. Plaintiffs' Counsel and the Bank's Counsel have filed stipulations requesting the entry of orders to stay all proceedings and all discovery activities from the responsible judges in the Entire Action, i.e., the Honorable Robert Holmes Bell and the Honorable Dennis B. Leiber, and such orders are pending. The Stipulated Orders as filed in the Federal Litigation and the State Litigation are attached as **Exhibits C and D**, respectively.

b. No later than February 27, 2009, the Parties will conduct a Second Settlement Hearing pursuant to SEC Staff Bulletin No. 3A(CF) dated June 18, 2008, in the United States District Court for the Western District of Michigan and the Kent County Circuit Court. The Parties hereto intend that the Warrants will be exempt from registration under Section 3(a)(10) of the Securities Act. As a result: (i) the Second Settlement Hearing shall include a hearing on the fairness of the terms and conditions of the exchange of the Warrants to be issued for the Plaintiffs' claims that are released pursuant hereto; (ii) all Persons to whom any Warrants are to be issued shall be sent a notice of the Second Settlement Hearing and the right to be heard at that hearing to their last known address known by Plaintiffs' Counsel and to their counsel of record in the Entire Action in the form attached as **Exhibits E and F**; (iii) the Court will be advised prior to the hearing that registration of the Warrants under the Securities Act will not be required by virtue of the approval of this Agreement and the issuance of the Warrants; and (iv) in the Second Settlement Hearing, the Court shall enter an Amended Settlement Hearing Order approving the fairness of the exchange of Warrants to be issued for Plaintiffs' claims.

c. No later than April 30, 2009, ninety-eight percent (98%) of the total number of Plaintiffs in the Entire Action must agree to settle this matter based on the terms stated herein. This ninety-eight percent (98%) must include one hundred percent (100%) of all Plaintiffs represented by Attorney Dennis Boxeur (i.e., Eddie Elkins, his family members, and trusts held for their benefit) and they must agree to settle this matter based on the terms stated herein. All Plaintiffs consenting to settle and completely release the Bank and Deardorff must indicate their agreement by signing the Release in the form attached as **Exhibit G or H**, as applicable, and return it to the Special Master no later than April 30, 2009. The Release must be signed before a notary or the equivalent in the particular Plaintiff's jurisdiction. Plaintiffs' Counsel will distribute the Release to each Plaintiff and request that the Plaintiff sign the Release and return it to the Special Master who shall deliver to the Bank's Counsel an original of each signed Release. Between the date of the entry of the last Settlement Hearing Order and April 30, 2009, Plaintiffs' Counsel will give the Bank's Counsel a report every Friday on the total number of Plaintiffs who have consented, the identities of those Plaintiffs, and the total dollar amount of the allocation to the Plaintiffs who have consented.

d. No later than April 30, 2009, ninety-eight percent (98%) of the total dollar amount of the claims in the Entire Action must be resolved as a result of Plaintiffs who have signed a Release. For purposes of this paragraph, the total dollar amount of the claims is the total amount of any Plaintiff's claims as approved by the Receiver, minus the amounts which have been refunded (or are to be refunded) to them by the Receiver as of October 3, 2008.

e. No later than the Final Settlement Date, both Federal Insurance Company and Progressive Casualty Insurance Company pay amounts due to the Escrow Agent and the Bank under their separate settlement agreement with the Bank.

f. The Bank's Counsel and Plaintiffs' Counsel shall be reasonably satisfied that no securities registration is required in any country other than the United States, except that a failure of this condition does not permit a party to void this Agreement under § 2 below if the amount of claims or number of Plaintiffs involved is de minimis to the entire Agreement, as determined by the Mediator.

2. **Effect Of Failure Of A Condition Precedent Set Forth In Paragraph 1**

a. Upon failure of any condition(s) (a) through (f) in ¶ 1 set forth above, the Bank has the option to:

i. Void this Agreement and proceed with litigation in the Entire Action; or

ii. Settle with those Plaintiffs who choose to accept the Terms of this Agreement and sign the Release, but decrease the total consideration set forth in ¶ 3.a. below by the percentage that the dollars allocated by the Special Master to the non-settling Plaintiffs bears to the total of all allocations. The Bank's election of this option must be exercised within 10 business days following the Bank's receipt of notice that the conditions set forth in ¶¶ 1.c and/or 1.d. have not been met. Plaintiffs' Counsel agrees to use their best efforts to cause Plaintiffs to accept the settlement described herein with such efforts to commence within 5 days after the Court approval described in ¶ 1.b. Plaintiffs' Counsel shall not communicate any offers to sell or transfer Warrants until after the issuance of the Second Settlement Hearing Order, and shall not communicate any offers to sell or transfer Warrants in any state that requires registration of the Warrants until after registration in those States has occurred. The Bank reserves the right, at any time, to seek an order requiring attendance at a settlement conference of any non-settling Plaintiffs.

b. Upon failure of conditions a., b., e. or f. in ¶ 1 set forth above or upon the failure of the Bank to perform any of the terms set forth in ¶ 3.a. below, Plaintiffs' Counsel has the option to void this Agreement and proceed with litigation.

3. **Terms.** In the event that the conditions set forth in ¶ 1 are met, or the Bank agrees to settle the claims with the Plaintiffs who choose to accept the Terms and sign the Release pursuant to ¶ 2.a.ii. above, the following Terms shall apply:

a. Subject to the conditions set forth herein, the Bank agrees to pay, or cause to be paid, to the Special Master on or before the Final Settlement Date the following for distribution to Plaintiffs who have signed and returned to the Bank the Release as set forth in ¶ 1.c.:

i. Five Million Seven Hundred Fifty Thousand Dollars (\$5,750,000) in cash, including Four Hundred Twenty-Five Thousand Dollars (\$425,000) from Federal and Five Hundred Twenty-Five Thousand Dollars (\$525,000) from Progressive. In addition to One Million Eight Hundred Thousand Dollars (\$1,800,000) of this settlement that the Bank has already placed in an interest-bearing escrow account with the Escrow Agent, the Bank will place another Three Million Dollars (\$3,000,000) into that same account no later than 2 business days after Plaintiffs' counsel have executed this Amended Agreement. A Copy of the Escrow Agreement is attached as **Exhibit I**. In the event the settlement is concluded, Plaintiffs shall receive all interest earned from the escrow account funds that exceed the charges of the Escrow Agent. In the event the settlement is voided for failure of conditions set forth herein, the Bank will receive this amount plus all interest from the escrow account that exceed the charges of the Escrow Agent.

ii. Amounts the Bank collects in settlements from Third-Party Defendants/Counter-defendants, up to Two Hundred Fifty Thousand Dollars (\$250,000). In the event that the Bank does not collect \$250,000 in settlements from Third-Party Defendants/Counter-defendants by the Final Settlement Date, the Bank will make up the shortfall in cash.

iii. One Million Five Hundred Thousand (1,500,000) Warrants, exercisable at a strike price of Nine Dollars (\$9.00) per share. The Warrants will be exercisable for a period of five years to acquire common stock of Macatawa Bank Corp. on the terms set forth in the Warrant Agreement. The form of Warrant Agreement is attached as **Exhibit L** and will be executed and delivered in substantially the form thereof on the Final Settlement Date.

iv. The Warrants shall be duly and validly issued, fully paid, non-assessable and free from all liens and encumbrances, and the Parties stipulate and request the Courts to find and order that the Warrants are exempt from registration under Section 3(a)(10) of the Securities Act in the Amended Settlement Hearing Order.

The Warrants shall be issued by the Bank's transfer agent on the Final Settlement Date and delivered to the Special Master for distribution to settling Plaintiffs as required in ¶ 3.b., below, and pursuant to the Stipulated Orders appointing the Special Master, attached as **Exhibits J and K**, respectively. As to any settling Plaintiffs who reside outside of the United States of America, their Warrants shall be delivered to the Michigan Agent on their behalf by the Special Master.

v. By the Final Settlement Date, the Bank's Counsel will provide an opinion that the securities to be distributed pursuant to ¶ 3.a.iii. are, as to the United States, either registered or exempt from registration in the United States, and that there are no restrictions on transfer or resale of such securities under United States securities laws other than such restrictions as may apply to affiliates or underwriters of Macatawa Bank Corp..

vi. The Bank will cooperate with the Special Master and the Michigan Agent to assist them in delivering the Warrants to Plaintiffs.

vii. The Bank hereby represents and warrants as of the date hereof and as of the Final Settlement Date (unless a different particular date or period is specified) that:

(1) The Warrants and the common stock issuable upon exercise of the Warrants have been duly and validly authorized for issuance, offer and sale pursuant to this Amended Agreement and the Warrant Agreement. The Warrants and the common stock issuable upon exercise of the Warrants, when issued and delivered against payment of the consideration therefor in accordance with this Amended Agreement or the Warrant Agreement, as applicable, will be validly issued, fully paid and non-assessable Warrants and Common Stock, free and clear of all pledges, claims, liens, charges, encumbrances and security interests of any kind or nature whatsoever.

(2) On or prior to the Final Settlement Date, the Common Stock issuable upon exercise of the Warrants will have been listed for trading on the NASDAQ Global Select Market.

(3) Macatawa Bank is a banking corporation and Macatawa Bank Corp. is a corporation duly organized, validly existing, and in good standing under the laws of the State of Michigan. The Bank has all requisite corporate power and authority to enter into this Amended Agreement and, with respect to Macatawa Bank Corp., the Warrant Agreement and consummate the transactions contemplated by this Amended Agreement and the Warrant Agreement. Each Amended Agreement and Warrant Agreement has been duly and validly authorized, executed and delivered on behalf of Macatawa Bank and/or Macatawa Bank Corp. and is a valid and binding agreement of Macatawa Bank and/or Macatawa Bank Corp. enforceable against it in accordance with its terms, subject as to enforceability to general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law), to bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting the enforcement of creditors' rights generally and, with respect to rights to indemnity and contribution, to any state, federal or foreign law or any public policy underlying any such law.

(4) The execution and delivery of this Amended Agreement and the Warrant Agreement, the issuance of the Warrants to be sold by Macatawa Bank Corp. hereunder, the sale of the common stock issuable under the Warrants, and the consummation of the transactions contemplated hereby and by the Warrant Agreement, will not conflict with or constitute a violation of, or default (with the passage of time or otherwise) under, any material agreement or instrument to which the Bank is a party or by which it is bound or the charter, bylaws or other organizational documents of the Bank nor result in the creation or imposition of any lien, encumbrance, claim, security interest or restriction whatsoever upon any of the material properties or assets of the Bank or an acceleration of indebtedness pursuant to any obligation, agreement or condition contained in any material, bond, debenture, note or any other evidence of indebtedness or any material indenture, mortgage, deed of trust or any other agreement or instrument to which the Bank is a party or by which it is bound or to which any of the property or assets of the Bank is subject, nor conflict with, or result in a violation of any United States federal or state law, administrative regulation, ordinance or other of any court or governmental agency, arbitration panel or authority applicable to the Bank. No consent, approval, authorization or other order of, or registration, qualification or filing with, any regulatory body, administrative agency, or other governmental body is required for the valid issuance of the Warrants or the common stock issuable under the Warrants, other than such as have been made or obtained, except for registration or exemption under United States federal and state securities laws.

(5) Upon issuance, the Warrants are either registered or exempt from registration under the United States securities laws.

(6) After issuance, there are no restrictions on transfer or resale of the Warrants under the United States securities laws other than such restrictions as may apply to affiliates or underwriters of Macatawa Bank Corp..

b. Plaintiffs' Counsel has submitted a stipulated order in both the State Litigation and the Federal Litigation for appointment of a Special Master to allocate the Settlement Fund to settling Plaintiffs, and that Special Master will make a determination of the division of the Settlement Fund under this Amended Agreement as soon as reasonably possible. The allocation of the Special Master shall be provided to the Bank's Counsel. The Stipulated Orders appointing the Special Master in the State Litigation and the Federal Litigation are attached as Exhibits J and K, respectively.

i. The Bank, Deardorff, and the Insurers shall have no liability, obligation or responsibility for the administration of the Settlement or the distribution of the Settlement Fund, except for the funding obligations as set forth herein.

ii. No Person shall have any claim against the Special Master, Plaintiffs' Counsel, the Bank, Deardorff, the Insurers, or their respective counsel, based on distributions made substantially in accordance with this Agreement.

iii. The Special Master shall have the duties as already established in the Stipulated Order Appointing the Special Master, attached as **Exhibits J and K**.

c. The Parties agree to effect by stipulation the dismissal of the Entire Action, with prejudice and without costs, except as to non-settling Plaintiffs and except as to contribution claims against Third-Party/Counter-defendants. The Stipulation and Order of Dismissal to be submitted in the State Litigation and Federal Litigation are attached as **Exhibits M and N**, respectively.

d. Settling Plaintiffs agree to cooperate as reasonably necessary in the Bank's pursuit of settlements with Third-Party/Counter-defendants.

4. **No Admission of Liability.** Nothing contained herein and no action taken by any Party with respect to this Agreement shall be construed as an admission by any Party, person or entity of any act of wrongdoing or any liability of any kind, all such liability and wrongdoing being expressly denied.

5. **Assignment of Claims.** Each Plaintiff will represent and warrant in the Release that he or she or it has not assigned any claim that he or she or it had or may have against the Bank or its affiliates, parents, subsidiaries, predecessors, divisions, directors, officers, shareholders, employees, agents, attorneys, and successors and assigns, including but not limited to those claims set forth in the Entire Action.

6. **Complete Agreement.** This Amended Agreement and the Warrant Agreement represent the final and complete agreement between the Parties with respect to the subject matter, and supersedes and replaces the earlier Final Settlement Agreement, memorializing the Contingent Settlement Agreement dated October 6, 2008. There shall be no modifications or amendments to this Amended Agreement unless they are in writing, signed by all Parties.

7. **Lack of Reliance.** Each Party to this Amended Agreement acknowledges that no other party, person, or entity has made any promise, representation, or warranty, either expressly or by implication, that is not expressly contained in this Amended Agreement. Each Party to this Amended Agreement on behalf of themselves and their respective heirs and assigns, acknowledge and agree that in entering into this Amended Agreement and the agreements contemplated hereby, they have not relied, and are not relying, on information, statements, assurances, representations or warranties (written or oral) provided or made by or on behalf of the Bank with respect to the present or future value or related attributes of the Bank, or the Warrants.

8. **Full Knowledge and Volition.** All Parties have read this Amended Agreement, understand this Amended Agreement, and have signed this Amended Agreement of their own free act and volition. Additionally, all Parties confirm that they have secured the necessary authorization to sign this document on behalf of the parties for whom they are signing. This Amended Agreement was mutually negotiated and will not be construed against any party as the drafter.

9. **Counterparts.** This Amended Agreement may be executed in counterparts, and the counterparts, when properly executed by all Parties and attached hereto, will constitute a fully executed and complete binding contract. Any signature transmitted electronically to another Party shall constitute, and shall have the same force and effect as, an original signature.

10. **Applicable Law.** This Amended Agreement, and any amendments hereto, shall be governed by, construed and enforced in accordance with the laws of the State of Michigan, without regard to principles of conflicts of laws.

11. **Forum Selection.** Disputes arising out of this Amended Agreement before the Final Settlement Date shall go to the Mediator first, who shall attempt to facilitate an amicable resolution and then to United States Magistrate Judge Joseph G. Scoville. Disputes arising out of this Amended Agreement after the Final Settlement Date, and any amendments hereto, are to be decided only by the Circuit Court for the County of Kent, State of Michigan, U.S.A.

[signatures appear on the following page]

Signature page to the Amended Settlement and Release Agreement.

ACKNOWLEDGED AND AGREED:

NICKENS, KEETON, LAWLESS,
FARRELL & FLACK LLP

Date: January 30, 2009

By: /s/ Thomas M. Farrell

Thomas M. Farrell

MOULTON & MEYER, LLP

Date: January 30, 2009

By: /s/ Cynthia R. Levin Moulton

Cynthia R. Levin Moulton

Date: _____, 2009

By: _____

Richard Deardorff

MACATAWA BANK CORP.

Date: January 30, 2009

By: /s/ Jon W. Swets

Its: Chief Financial Officer

MACATAWA BANK

Date: January 30, 2009

By: /s/ Jon W. Swets

Its: Chief Financial Officer

Exhibit A: List of Plaintiffs
Exhibit B: List of Third-Party Defendants/Counter-defendants
Exhibit C: Stipulated Order to Stay Federal Litigation
Exhibit D: Stipulated Order to Stay State Litigation
Exhibit E: Notice of Settlement Hearing (Federal Litigation)
Exhibit F: Notice of Settlement Hearing (State Litigation)
Exhibit G: Agreement to Settle and Conditional Release (US)
Exhibit H: Agreement to Settle and Conditional Release (Foreign)
Exhibit I: Escrow Agreement
Exhibit J: Stipulated Order Appointing Special Master (State Litigation)
Exhibit K: Stipulated Order Appointing Special Master (Federal Litigation)
Exhibit L: Warrant Agreement
Exhibit M: Stipulated Order Dismissing State Litigation
Exhibit N: Stipulated Order Dismissing Federal Litigation

WARRANT AGREEMENT

THIS WARRANT AGREEMENT (this "Agreement") is entered into as of the _____ day of _____, 2009, by and between **MACATAWA BANK CORPORATION**, a Michigan corporation (the "Company"), and **REGISTRAR AND TRANSFER COMPANY**, a New Jersey corporation (the "Warrant Agent").

RECITALS

- A. The Company is a defendant in a lawsuit pending in the United States District Court for the Western District of Michigan (the "District Court"), entitled *In re Trade Partners, Inc. Investor Litigation*, Case No. 1:07-MD-1846-RHB (the "Federal Litigation").
- B. The Company is a defendant in a lawsuit pending in the Kent County Circuit Court in Grand Rapids, Michigan (the "Circuit Court"), entitled *Giese et al v. Macatawa Bank Corp et al*, Case No. 06-11707-CZ (the "State Litigation").
- C. The parties to the Federal Litigation and the State Litigation have settled the dispute and entered into that certain First Amended Settlement and Release and Stock and Warrant Issuance Agreement, dated January 30, 2009 (the "Settlement Agreement").
- D. As part of the transactions to be consummated pursuant to the Settlement Agreement, the Company has issued warrants for the purchase of One Million Five Hundred Thousand (1,500,000) shares of common stock, no par value, of the Company (each, a "Warrant").
- E. The Company wishes the Warrant Agent to act on behalf of the Company, and the Warrant Agent is willing to so act, in connection with the issuance, division, transfer, exchange and exercise of the Warrants.

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing and of the mutual promises and covenants contained in this Agreement and for other good and valuable consideration, the receipt and adequacy of which hereby are acknowledged, the parties agree as follows:

1. DEFINITIONS

1.1 "Business Day" shall mean a day other than (a) a Saturday or Sunday, (b) any day on which banking institutions located in Holland, Michigan are required or authorized by law or by local proclamation to close or (c) any day on which the Nasdaq Stock Market is closed.

1.2 "Common Stock" shall mean the shares of the Company's common stock, no par value.

1.3 “Commercially Reasonable Best Efforts,” when used with respect to any obligation to be performed or term or provision to be complied with under this Agreement, shall mean such efforts as a prudent Person seeking the benefits of such performance or compliance would make, use, apply or exercise to preserve, protect or advance its rights or interests. Such efforts do not require the Person whose performance or compliance is required under this Agreement to incur a material financial cost or a substantial risk of material liability unless such cost or liability (i) is specifically contained in this Agreement or the Settlement Agreement, (ii) would customarily be incurred in the course of performance of or compliance with the relevant obligation, term or provision, (iii) is caused by or results from the wrongful act or negligence of the Person whose performance or compliance is required hereunder, or (iv) is not excessive or unreasonable in view of the rights or interests to be preserved, protected or advanced.

1.4 “Effective Date” means the first date on which the Company’s Registration Statement is declared effective by the SEC.

1.5 “Exercise Period” shall mean the period commencing on the later of (a) the date the Warrants are issued to the initial Holders and (b) the Effective Date and ending at 5:00 p.m., Holland, Michigan time, on the fifth (5th) anniversary of the later of (a) or (b), as such period may be extended pursuant to the terms hereof.

1.6 “Exercise Price” shall mean the purchase price for each Warrant Share and shall be Nine Dollars (\$9.00) per share, as adjusted from time to time pursuant to Sections 8.1 and 8.2 hereof.

1.7 “Holders” are the registered owners of the Warrants.

1.8 “Market” shall mean the Nasdaq Stock Market. If the Common Stock is no longer authorized for quotation on the Nasdaq Stock Market, the Market shall be the principal national securities exchange or quotation system on which the Common Stock is quoted or listed or admitted to trading or, if not quoted or listed or admitted to trading on any national securities exchange or quotation system, the over-the-counter market.

1.9 “Material Information” is material nonpublic information concerning the Company, its subsidiaries, or its or their current or prospective business, financial condition, results of operations or prospects.

1.10 “Person” shall mean a natural person, corporation, partnership, joint venture, association, joint stock company, trust, unincorporated organization, limited liability company, limited liability partnership, government or any agency or political subdivision thereof or any other entity or organization.

1.11 “Qualifying Prospectus” shall mean a prospectus contained in a Registration Statement that satisfies all legal requirements.

1.12 “Registration Statement” shall mean a registration statement relating to the issuance by the Company of the Warrant Shares to the Holders upon exercise of the Warrants pursuant hereto.

1.13 “SEC” shall mean the United States Securities and Exchange Commission, or any successor governmental agency or authority thereto.

1.14 “Securities Act” shall mean the Securities Act of 1933, as amended.

1.15 “Trading Price,” as of any date, shall mean the dollar weighted average trading price per share for all round lot transactions in the Common Stock on the Market for the twenty (20) trading days ending two (2) days prior to that date.

1.16 “Warrant Shares” are the shares of Common Stock or other securities deliverable upon exercise of a Warrant.

2. FORM OF WARRANT; EXECUTION; REGISTRATION

2.1 Form of Warrant; Execution of Warrants. The certificates evidencing the Warrants (the “Warrant Certificates”) shall be in the form attached to this Agreement. The Warrant Certificates shall be signed on behalf of the Company by its Chief Executive Officer, Chief Financial Officer, President or one of its Vice Presidents. The signature of any such officer on the Warrant Certificates may be manual or by facsimile. Each Warrant Certificate shall be dated the date it is countersigned by the Warrant Agent pursuant to Section 2.3.

2.2 Registration. The Warrant Certificates shall be numbered and shall be registered on the books of the Company maintained at the principal office of the Warrant Agent initially in Cranford, New Jersey (or such other place in the continental United States as the Warrant Agent shall from time to time notify the Company and the Holders in writing) (the “Warrant Register”) as they are issued. The Company and the Warrant Agent shall be entitled to treat the registered owner of any Warrant as the owner in fact thereof for all purposes and shall not be bound to recognize any equitable or other claim to or interest in such Warrant on the part of any other person.

2.3 Countersignature of Warrants. The Warrant Certificates shall be countersigned by the Warrant Agent and shall not be valid for any purpose unless so countersigned. Warrant Certificates may be countersigned, however, by the Warrant Agent and may be delivered by the Warrant Agent notwithstanding that the persons whose manual or facsimile signatures appear thereon as proper officers of the Company shall have ceased to be such officers at the time of such countersignature, issuance or delivery. The Warrant Agent shall, upon written instructions of the Chief Executive Officer, the Chief Financial Officer, the President, any Vice President, the Treasurer or the Secretary of the Company, countersign, issue and deliver Warrant Certificates entitling the Holders thereof to purchase not more than an aggregate of One Million Five Hundred Thousand (1,500,000) Warrant Shares (subject to adjustment pursuant to Section 8) and shall countersign, issue and deliver Warrant Certificates as otherwise provided in this Agreement.

3. TRANSFER AND EXCHANGE OF WARRANTS

3.1 Transfer and Exchange. Subject to the terms of this Agreement, the Warrant Agent shall initially countersign, register in the Warrant Register, and deliver Warrants in accordance with the written instructions of the Company. Subject to the terms of this Agreement and the receipt of such documentation as the Warrant Agent may reasonably require, the Warrant Agent shall thereafter from time to time register the transfer of any outstanding Warrants upon the Warrant Register upon surrender of the Warrant Certificate or Certificates evidencing such Warrants duly endorsed or accompanied (if so required by it) by a written instrument or instruments of transfer in form reasonably satisfactory to the Warrant Agent (which may be in the form attached to this Agreement), duly executed by the registered Holder or Holders thereof, by the duly appointed legal representative of the Holders, or by a duly authorized attorney. Subject to the terms of this Agreement, each Warrant Certificate may be exchanged for another Warrant Certificate or Certificates entitling the Holder to purchase a like aggregate number of Warrant Shares as the Warrant Certificate or Certificates surrendered then entitles such Holder to purchase. Any Holder desiring to exchange a Warrant Certificate or Certificates shall make such request in writing delivered to the Warrant Agent, and shall surrender, duly endorsed or accompanied (if so required by the Warrant Agent) by a written instrument or instruments in form reasonably satisfactory to the Warrant Agent, the Warrant Certificate or Certificates to be so exchanged. Upon registration of transfer or exchange, the Company shall issue and the Warrant Agent shall countersign and deliver by certified mail a new Warrant Certificate or Certificates to the persons entitled thereto.

3.2 No Service Charges. No service charge shall be made for any exchange or registration of transfer of a Warrant Certificate or of Warrant Certificates, but the Company may require payment of a sum sufficient to cover any stamp tax or other tax or other governmental charge that is imposed in connection with any such exchange or registration of transfer pursuant to Section 5.

3.3 Acceptance of Terms. By accepting the initial delivery, transfer or exchange of Warrants, each Holder shall be deemed to agree to the terms of this Agreement as it may be in effect from time to time, including any amendments or supplements duly adopted in accordance with Section 12.3. A copy of this Agreement may be obtained by a Holder without cost upon written request to the Company at its principal office or to the Warrant Agent.

4. TERM OF WARRANTS; EXERCISE OF WARRANTS; REGISTRATION OF WARRANT SHARES

4.1 Term of Warrants. Subject to the terms of this Agreement, each Holder shall have the right, which may be exercised on any Business Day during the Exercise Period, to receive from the Company the number of Warrant Shares which the Holder may at the time be entitled to purchase upon exercise of such Warrants and payment of the Exercise Price then in effect for such Warrant Shares. The Warrant Shares issued to a Holder upon exercise of its Warrants shall be duly authorized, validly issued, fully paid and non-assessable and shall not have been issued in violation of or subject to any preemptive rights. Each Warrant not exercised prior to the expiration of the Exercise Period shall become void, and all rights under such Warrant and under this Agreement shall cease as of the expiration of the Exercise Period, provided, however, that if the Exercise Period ends during a suspension pursuant to Section 4.3, the Exercise Period shall be extended for an additional period of time equal to the longer of the period of such suspension during the Exercise Period and twenty (20) Business Days after the date on which the Warrant Agent sends notice to the Holders of the expiration of such suspension period.

4.2 Exercise of Warrants.

(a) During the Exercise Period, except as such may be suspended from time to time as set forth in Section 4.3, each Holder may exercise from time to time some or all of the Warrants evidenced by its Warrant Certificate(s) by: (i) surrendering to the Company at the principal office of the Warrant Agent such Warrant Certificate(s) with written notice (in the form attached to this Agreement) duly completed and signed, which signature shall be guaranteed by an eligible guarantor institution (a bank, savings and loan association or credit union with membership in an approved signature guarantee medallion program) pursuant to Rule 17Ad-15 of the Securities Exchange Act of 1934, as amended, and (ii) paying to the Warrant Agent for the account of the Company the aggregate Exercise Price for the number of Warrant Shares in respect of which such Warrants are exercised. Warrants shall be deemed exercised on the date such Warrant Certificate(s) are surrendered to the Warrant Agent and tender of payment of the aggregate Exercise Price is made. Payment of the aggregate Exercise Price shall be made (1) by wire transfer of immediately available funds to the Warrant Agent for the account of the Company, (2) by certified or official bank check or checks payable to the order of the Company (any such payments under subsections (1) or (2) shall be made in lawful money of the United States of America), or (3) by surrender to the Warrant Agent of the right to receive a number of Warrant Shares, calculated to the nearest one one-hundredth of a share, pursuant to the formula below. In the event that a Holder elects to make payment of the aggregate Exercise Price by surrender of the right to receive Warrant Shares as provided in subsection (3) of the preceding sentence, the number of Warrant Shares issuable to such Holder shall be calculated as follows:

$$X = \frac{Y(A-B)}{A}$$

Where: X = the number of Warrant Shares to be issued to such Holder upon exercise (subject to Section 9);

Y = the total number of Warrant Shares purchasable pursuant to the Warrant being exercised (or, if such Warrant is being exercised only in part, the number of Warrant Shares for which it is being exercised);

A = the Trading Price of a share of Common Stock determined as of the date of exercise; and

B = the then-current Exercise Price.

(b) In the event that less than all of the Warrants evidenced by a Warrant Certificate are exercised, the Holder thereof shall be entitled to receive a new Warrant Certificate or Certificates as specified by such Holder evidencing the remaining Warrant or Warrants, and the Warrant Agent is hereby irrevocably authorized by the Company to countersign, issue and deliver the required new Warrant Certificate or Certificates evidencing such remaining Warrant or Warrants pursuant to Section 4.2 and Section 3 of this Agreement. The Company, whenever requested by the Warrant Agent, will supply the Warrant Agent with Warrant Certificates duly executed on behalf of the Company for such purpose.

(c) Upon the exercise of any Warrants in accordance with this Agreement, the Company shall cause the Warrant Agent, on the Company's behalf, to issue and deliver with all reasonable dispatch, to or upon the written order of the Holder and in such name or names as the Holder may designate, a certificate or certificates for the number of full Warrant Shares issuable upon the exercise of such Warrants and shall take or cause the Warrant Agent to take such other actions as are necessary to complete the exercise of the Warrants (including, without limitation, payment of any cash with respect to fractional interests required under Section 9). The certificate or certificates representing such Warrant Shares shall be deemed to have been issued and any person so designated to be named therein shall be deemed to have become a holder of record of such Warrant Shares as of the date the Warrants are exercised.

(d) Upon delivery of the Warrant Shares issuable upon exercise of a Warrant in accordance herewith and of any required new Warrant Certificates, the Company shall direct the Warrant Agent by written order to cancel the Warrant Certificates surrendered upon exercise. Such canceled Warrant Certificates shall then be disposed of by the Warrant Agent in a manner permitted by applicable laws and satisfactory to the Company in accordance with its written instructions to the Warrant Agent. The Warrant Agent shall account promptly to the Company with respect to Warrants exercised and concurrently pay to the Company all amounts received by the Warrant Agent upon exercise of such Warrants.

(e) The Warrant Agent shall keep copies of this Agreement and any notices given or received pursuant to this Agreement available for inspection by the Holders during normal business hours at its office. The Company shall, at its sole expense, supply the Warrant Agent from time to time with such numbers of copies of this Agreement as the Warrant Agent may reasonably request.

4.3 Registration of Warrant Shares: Suspension of Exercise Period.

(a) The Company shall use its Commercially Reasonable Best Efforts to (i) file under the Securities Act, within thirty (30) days of the date hereof, the Registration Statement, (ii) cause such Registration Statement to be declared effective by the SEC within ninety (90) days of the date hereof and (iii) keep such Registration Statement effective at all times during the Exercise Period, and will make such number of Qualifying Prospectuses available to Holders as they shall reasonably request. No shares of Common Stock shall be issued, and the right to exercise all Warrants shall be suspended, for all periods during which there is not an effective Registration Statement and/or there is not a Qualifying Prospectus available to Holders. The Company shall promptly notify the Warrant Agent of any such suspension, and the Warrant Agent shall have no duty, responsibility or liability in respect of any shares of Common Stock issued or delivered prior to its receipt of such notice. The Company shall promptly notify the Warrant Agent of the termination of any such suspension, and the Company shall cause the Warrant Agent to notify the Holders of the termination of such suspension promptly following notice to the Warrant Agent by the Company. Should the ability of the Holders to exercise the Warrants be suspended for more than an aggregate of sixty (60) days in any three hundred sixty five (365) day period pursuant to this Section 4.3(a), the Exercise Period shall be extended by the aggregate number of days in such suspension period(s) in excess of sixty (60) days. The Company represents and warrants that the issuance of the Warrants is exempt from registration pursuant to Section 3(a)(10) of the Securities Act.

(b) Notwithstanding the foregoing, the Company shall have the right, exercisable by giving written notice of the exercise of such right to the Warrant Agent, at any time and from time to time, to suspend the Exercise Period or delay filing for a period not in excess of 60 calendar days during any consecutive three hundred sixty-five (365) day period beginning on the date on which such notice is given, or such shorter period of time as may be specified in such notice or in a subsequent notice delivered by the Company to such effect, if (i) the Company is, in its good faith judgment, in possession of Material Information, (ii) such Material Information would, in the judgment of the Company's board of directors (after consultation with counsel), need to be disclosed so as to permit the Warrant Shares to be sold in compliance with law, and (iii) disclosure of such Material Information would, in the good faith judgment of the Company (after consultation with counsel), be adverse to its interests. Should the ability of the Holders to exercise the Warrants be suspended for more than an aggregate of sixty (60) days in any three hundred sixty five (365) day period pursuant to this Section 4.3(b), the Exercise Period shall be extended by the aggregate number of days in such suspension period(s) in excess of sixty (60) days.

5. PAYMENT OF TAXES

The Company will pay all documentary stamp and other like taxes, if any, attributable to the initial issuance and delivery of the Warrants and the initial issuance and delivery of the Warrant Shares upon the exercise of Warrants. However, the Company shall not be required to pay any tax or taxes which may be payable in respect of any transfer of the Warrants or involved in the issuance or delivery of any Warrant Shares in a name other than that of the Holder of the Warrants being exercised, and the Warrant Agent shall not register any such transfer or issue or deliver any Warrant Certificate(s) or Warrant Shares unless or until the persons requesting the registration or issuance shall have (i) paid to the Warrant Agent for the account of the Company the amount of such tax, if any, (ii) established to the reasonable satisfaction of the Company that such tax, if any, has been paid, or (iii) delivered to the Company an opinion of legal counsel that no such tax is due.

6. LOST OR STOLEN WARRANT CERTIFICATES

In the event that any Warrant Certificate shall be mutilated, lost, stolen or destroyed, the Company shall issue, and the Warrant Agent shall countersign and deliver, a replacement Warrant Certificate representing an equivalent right or interest. The Holder must submit evidence reasonably satisfactory to the Company and the Warrant Agent of such loss, theft or destruction of such Warrant Certificate and an indemnity or bond, if requested by the Company or the Warrant Agent, also reasonably satisfactory to them. An applicant for such a substitute Warrant Certificate shall also comply with such other reasonable procedures as the Company or the Warrant Agent may reasonably require. The Company and Warrant Agent may charge the Holder for their expenses in replacing a Warrant Certificate.

7. RESERVATION OF WARRANT SHARES

7.1 Reservation of Common Stock. The Company shall at all times keep reserved out of its authorized Common Stock, free of all preemptive rights, a number of shares of Common Stock sufficient to provide for the exercise of the rights of purchase represented by the outstanding Warrants. The transfer agent for the Common Stock and every subsequent or other transfer agent for any shares of the Company's capital stock issuable upon the exercise of the Warrants (each, a "Transfer Agent") will be and are hereby irrevocably authorized and directed at all times to reserve such number of authorized shares of Common Stock as shall be required for such purpose. The Company will keep a copy of this Agreement on file with each Transfer Agent. The Company will supply its Transfer Agent with duly executed stock certificates for such purposes and will itself provide or otherwise make available any cash which may be payable as provided in Section 9. The Company will furnish to its Transfer Agent a copy of all notices of adjustments, and certificates related thereto, transmitted to each Holder. The Company will give the Warrant Agent prompt notice of any change in any Transfer Agent or any change of address of any Transfer Agent.

7.2 Corporate Actions. Before taking any action which would cause an adjustment pursuant to Section 8 reducing the Exercise Price, the Company will take any and all corporate action which may be necessary in order that the Company may validly and legally issue fully paid and non-assessable Warrant Shares at the Exercise Price as so adjusted.

8. ADJUSTMENT OF WARRANT SHARES AND EXERCISE PRICE

8.1 Adjustments. The Warrant Shares purchasable upon the exercise of each Warrant and the Exercise Price shall be subject to adjustment as follows:

(a) Adjustment for Change in Capital Stock. Subject to Section 8.1(b), in case the Company shall (i) pay a dividend on its outstanding shares of Common Stock in shares of Common Stock or make a distribution of shares of Common Stock on its outstanding shares of Common Stock, (ii) make a distribution on its outstanding shares of Common Stock in shares of its capital stock other than Common Stock, (iii) subdivide its outstanding shares of Common Stock into a greater number of shares of Common Stock, (iv) combine its outstanding shares of Common Stock into a smaller number of shares of Common Stock, or (v) issue, by reclassification of its shares of Common Stock, other securities of the Company (including any such reclassification in connection with a consolidation or merger in which the Company is the surviving entity) (each, an "Adjustment Event"), then the number of Warrant Shares purchasable upon exercise of each Warrant immediately prior to the Adjustment Event shall be adjusted so that the Holder of each Warrant shall be entitled to receive the kind and number of Warrant Shares or other securities of the Company which such Holder would have owned or have been entitled to receive upon the happening of the Adjustment Event had such Warrant been exercised in full immediately prior to the happening of such Adjustment Event or any record date with respect to such Adjustment Event. If a Holder is entitled to receive shares of two or more classes of capital stock of the Company pursuant to the foregoing sentence upon exercise of Warrants, the allocation of the adjusted Exercise Price between such classes of capital stock shall be determined reasonably and in good faith by the Board of Directors of the Company. After such allocation, the exercise privilege and the Exercise Price with respect to each class of capital stock shall thereafter be subject to adjustment on terms substantially identical to those applicable to Common Stock in this Section 8. An adjustment made pursuant to this Section 8.1(a) shall become effective immediately after the record date for such Adjustment Event or, if none, immediately after the effective date of such Adjustment Event. Such adjustment shall be made successively whenever an Adjustment Event occurs.

(b) Minimum Adjustment. No adjustment in the number of Warrant Shares purchasable by a Holder pursuant to Section 8.1(a) shall be required unless such adjustment would require an increase or decrease of at least one percent (1%) in the number of Warrant Shares purchasable upon the exercise of each Warrant. The amount by which any adjustment is not made by reason of this subsection shall be carried forward and taken into account in any subsequent adjustment. All calculations shall be made to the nearest one-hundredth of a Warrant Share.

(c) Adjustment in Exercise Price. Whenever the number of Warrant Shares purchasable upon the exercise of each Warrant is adjusted pursuant to Section 8.1(a), the Exercise Price payable for each Warrant Share immediately prior to such adjustment shall be adjusted (to the nearest cent) by multiplying such Exercise Price by a fraction, the numerator of which shall be the number of Warrant Shares purchasable upon the exercise of each Warrant immediately prior to the Adjustment Event and the denominator of which shall be the number of Warrant Shares purchasable immediately after the Adjustment Event.

8.2 Notice of Adjustment. Whenever the number of Warrant Shares purchasable upon the exercise of each Warrant or the Exercise Price of Warrant Shares is adjusted, the Company shall cause the Warrant Agent promptly to mail to each Holder, at the sole expense of the Company, by first class mail, postage prepaid, notice of such adjustment or adjustments and shall deliver to the Warrant Agent a certificate of an officer of the Company setting forth: (a) the number of Warrant Shares purchasable upon the exercise of each Warrant and the Exercise Price for each Warrant Share after such adjustment, (b) a brief statement of the facts requiring such adjustment, and (c) the computations by which such adjustment was made. The Warrant Agent shall be entitled to rely on such certificate and shall be under no duty or responsibility with respect to any such certificate, except to exhibit the same, from time to time, to any Holder requesting an inspection of such certificate during reasonable business hours.

8.3 Merger or Consolidation.

(a) In case of any consolidation or merger of the Company into another entity, or any sale of all or substantially all assets of the Company (collectively, a "Reorganization"), the Company or such successor entity shall on or before the date of consummation of the Reorganization (the "Closing Date"), at its option, either:

(i) deliver to the Warrant Agent a notice of redemption (the "Redemption Notice"), which shall be binding on the Company and on all Holders, and redeem all Warrants by payment, in cash, to each Holder of an amount equal to the excess, if any, of (A) the value of the consideration that each such Holder would have been entitled to receive upon the consummation of the Reorganization had such Holder exercised all of such Holder's Warrant(s) immediately prior to such Reorganization, over (B) the aggregate Exercise Price that would have been payable by each such Holder upon any such exercise immediately prior to such Reorganization, such payments to be made within ten (10) Business Days of the Closing Date; or

(ii) execute and deliver to the Warrant Agent an agreement, which shall be binding on the Holders, that each Holder shall have the right thereafter upon payment of the Exercise Price in effect immediately prior to such action (after giving effect to any applicable adjustments) to purchase upon exercise of each Warrant the kind and amount of shares and other securities and property (including cash) which such Holder would have owned or have been entitled to receive upon the consummation of the Reorganization had such Warrant been exercised immediately prior to such Reorganization. The Company shall at its sole expense mail, by first class mail, postage prepaid, to each Holder notice of the execution of any such agreement. Such agreement shall provide for adjustments, which shall be substantially identical to the adjustments provided for in this Section 8.

(b) In the event the Company delivers a Redemption Notice, any right to exercise a Warrant shall terminate at 5:00 p.m., Holland, Michigan time, on the Closing Date. On and after the Closing Date, the Holders of the Warrants shall have no further rights except to receive, upon surrender of the Warrant, the Redemption Price, without interest.

(c) The Company shall not merge or consolidate with or into any other entity, unless the successor entity (if not the Company) shall expressly assume, by supplemental agreement reasonably satisfactory in form and substance to the Warrant Agent in its sole judgment and executed and delivered to the Warrant Agent, the performance and observance of each and every covenant and condition of this Agreement to be performed and observed by the Company. The provisions of this Section 8.3 shall similarly apply to successive consolidations or mergers.

8.4 Other Events. If any event occurs of the type contemplated by the provisions of this Section 8 but not expressly provided for by such provisions, then the Company's Board of Directors will in good faith make an appropriate adjustment in the Exercise Price and the number or type of Warrant Shares so as to protect the rights of the Holders.

8.5 Statement on Warrants. Irrespective of any adjustments in the Exercise Price or the number or kind of securities purchasable upon the exercise of the Warrants, Warrants previously issued may continue to express the same Exercise Price and number and kind of Warrant Shares as are stated in the Warrants when initially issued.

8.6 No Impairment. The Company shall not, for the purpose of avoiding or seeking to avoid the observance or performance of any of the terms and provisions of this Agreement, amend its Articles of Incorporation or engage in any reclassification, reorganization, consolidation, merger, dissolution, liquidation, issue, sale or exchange of securities or any other voluntary action.

9. FRACTIONAL INTERESTS

Neither the Company nor the Warrant Agent shall be required to issue fractional Warrant Shares on the exercise of Warrants. If more than one Warrant shall be exercised at the same time by the same Holder, the number of full Warrant Shares which shall be issuable upon such exercise shall be computed on the basis of the aggregate number of Warrants so exercised. If any fraction of a Warrant Share would, except for the provisions of this Section 9, be issuable on the exercise of any Warrant, the Company shall pay an amount in cash equal to the Trading Price for one share of Common Stock on the date the Warrant Certificate is presented for exercise, multiplied by such fraction.

10. NO RIGHTS AS STOCKHOLDERS

10.1 No Rights. Nothing contained in this Agreement or in any of the Warrants shall be construed as conferring upon the Holders or their transferees the right to vote, to receive dividends, to receive notice as stockholders in respect of any meeting of stockholders for the election of directors of the Company or any other matter, or to receive any rights whatsoever as stockholders of the Company.

10.2 Notice of Certain Events. In the event the Company shall:

- (a) authorize the issuance to all holders of shares of Common Stock of rights, options or warrants to subscribe for or purchase shares of Common Stock or any other subscription rights, options or warrants;
- (b) authorize the distribution to all holders of shares of Common Stock of securities or assets (other than cash dividends);
- (c) effect any Reorganization, any reclassification or change of Common Stock issuable upon exercise of the Warrants (other than a change in par value or as a result of a subdivision or combination of outstanding shares of Common Stock), or a tender offer or exchange offer for shares of Common Stock; or
- (d) effect a voluntary or involuntary dissolution, liquidation or winding up of the Company;

then the Company shall cause to be filed with the Warrant Agent and shall cause to be given to each Holder at its address appearing on the Warrant Register, at least twenty (20) calendar days prior to the applicable record date hereinafter specified, or promptly in the case of events for which there is no record date, by first class mail, postage prepaid, a written notice stating (x) the date as of which the Holders of record of shares of Common Stock entitled to receive any such rights, options, warrants or distribution are to be determined, (y) the initial expiration date set forth in any tender offer or exchange offer for shares of Common Stock, or (z) the date on which any such reclassification, Reorganization, dissolution, liquidation or winding up is expected to become effective or consummated, as well as the date as of which it is expected that Holders of record of shares of Common Stock shall be entitled to exchange such shares for securities or other property, if any, deliverable upon such reclassification, Reorganization, dissolution, liquidation, or winding up. The failure to give the notice required by this Section 10.2 or any defect therein shall not affect the legality or validity of any distribution, right, option, warrant, reclassification, Reorganization, dissolution, liquidation, winding up or action, or the vote upon any of the foregoing.

11. WARRANT AGENT

11.1 Appointment. The Company hereby appoints the Warrant Agent to act as agent for the Company in accordance with the terms and conditions of this Agreement, and the Warrant Agent hereby accepts such appointment. The Warrant Agent undertakes the duties and obligations imposed by this Agreement upon the terms and conditions set forth in this Agreement.

11.2 Rights and Duties of Warrant Agent.

(a) Agent for the Company. In acting under this Agreement and in connection with the Warrant Certificates, the Warrant Agent is acting solely as agent of the Company and does not assume any obligation or relationship or agency or trust for or with any of the Holders or beneficial owners of Warrants.

(b) Counsel. The Warrant Agent may consult with counsel satisfactory to it (who may be counsel to the Company), and the Warrant Agent shall incur no liability or responsibility to the Company or to any Holder in respect of any action taken, suffered or omitted by it in good faith and in accordance with the opinion or the advice of such counsel.

(c) Documents. The Warrant Agent shall incur no liability for or in respect of any action taken, suffered or omitted by it in reliance upon any Warrant Certificate, notice, direction, consent, certificate, affidavit, statement or other paper or document reasonably believed by it to be genuine and to have been presented or signed by the proper parties.

(d) No Implied Obligations. The Warrant Agent shall be obligated to perform only such duties as are specifically set forth in this Agreement and in the Warrant Certificates, and no implied duties or obligations of the Warrant Agent shall be read into this Agreement or the Warrant Certificates against the Warrant Agent. The Warrant Agent shall have no duty or responsibility in case of any default by the Company in the performance of its covenants or agreements contained in this Agreement or in the Warrant Certificates.

(e) Not Responsible for Adjustments or Validity of Stock. The Warrant Agent shall not at any time be under any duty or responsibility to any Holder to conduct any review or investigation to determine whether any facts exist that may require an adjustment of the number of Warrant Shares or other property issuable upon exercise of each Warrant or the Exercise Price, with respect to the nature or extent of any adjustment when made, or with respect to the method employed in making such adjustment. The Warrant Agent shall not be accountable with respect to the validity or value of any shares of Common Stock or of any securities or property which may at any time be issued or delivered upon the exercise of any Warrant or upon any adjustment. The Warrant Agent shall not be responsible for any failure of the Company to make any cash payment or to issue, transfer or deliver any shares of Common Stock or stock certificates upon the surrender of any Warrant Certificate for the purpose of exercise or upon any adjustment.

11.3 Other Transactions in Securities of the Company. The Warrant Agent and any stockholder, director, officer or employee of the Warrant Agent may buy, sell or deal in any of the Warrants or any other securities of the Company, acquire a pecuniary interest in any transaction in which the Company may be interested, contract with or lend money to the Company and otherwise act as fully and freely as though it were not Warrant Agent under this Agreement. Nothing herein shall preclude the Warrant Agent from acting in any other capacity for the Company or for any other Person.

11.4 Compensation and Indemnity. The Company agrees that the Warrant Agent is entitled, from time to time, to reasonable compensation for its services as mutually agreed and to reimbursement for all reasonable out-of-pocket expenses incurred by it, including the reasonable compensation and expenses of the Warrant Agent's agents and counsel. The Company shall indemnify the Warrant Agent against any loss, liability or expense, including reasonable attorneys' fees, incurred by it without negligence, willful misconduct, or bad faith on its part arising out of or in connection with the acceptance or performance of its duties under this Agreement. The Warrant Agent shall notify the Company promptly of any claim for which it may seek indemnity. The Company need not reimburse any expense or indemnify against any loss or liability incurred by the Warrant Agent through willful misconduct, negligence or bad faith. The Company's payment obligations pursuant to this Section 11.4 shall survive the termination of this Agreement.

11.5 Instructions from Company. The Warrant Agent is hereby authorized and directed to accept instructions with respect to the performance of its duties from the Chairman of the Board, the President, a Vice President, the Treasurer or the Secretary of the Company, and to request from such officers advice or instructions in connection with its duties. The Warrant Agent shall not be liable for any action taken, suffered or omitted by it in good faith in accordance with instructions of any such officer or officers, provided such instructions are not in contravention of this Agreement.

11.6 Successor Warrant Agent.

(a) Resignation and Removal. Upon sixty (60) days' prior written notice, the Warrant Agent may resign at any time, and such notice shall specify the date on which the resignation shall become effective. The Warrant Agent may be removed at any time by the Company upon sixty (60) days' prior written notice, which notice shall specify the date on which the removal shall become effective. Notwithstanding the foregoing, no resignation or removal shall take effect until the appointment by the Company of a successor Warrant Agent and the acceptance of such appointment by such successor Warrant Agent.

(b) Appointment of Successor. In the event that the Warrant Agent shall resign or be removed, shall become insolvent, shall consent to the appointment of or taking possession by a receiver, custodian, liquidator, assignee, trustee, sequestrator (or other similar official) of the Warrant Agent or its property or affairs, shall make an assignment for the benefit of creditors, or shall admit in writing its inability to pay its debts generally as they become due, a successor Warrant Agent shall be appointed by the Company. Any successor Warrant Agent shall be a bank or trust company, in good standing, incorporated under the laws of the United States of America or any state thereof, and having at the time of its appointment as Warrant Agent a combined capital and surplus of at least \$100,000,000.

(c) Successor To Expressly Assume Duties. Any successor Warrant Agent shall execute, acknowledge and deliver to its predecessor and to the Company an instrument accepting such appointment, and upon the delivery of such instrument, the successor Warrant Agent, without any further act, deed or conveyance, shall become vested with all the rights and obligations of such predecessor with like effect as if originally named as Warrant Agent under this Agreement, and the predecessor Warrant Agent, upon payment of its charges and disbursements then unpaid, shall become obligated to transfer, deliver and pay over all monies, securities and other property on deposit with or held by such predecessor as Warrant Agent. Upon the appointment of a successor Warrant Agent, the successor Warrant Agent shall mail, by first class mail, postage prepaid, to each Holder, written notice of such removal or resignation of the predecessor Warrant Agent and the name and address of the successor Warrant Agent.

(d) Successor by Merger. Any corporation or entity into which the Warrant Agent may be merged or consolidated, any corporation or entity resulting from any merger or consolidation to which the Warrant Agent shall be a party, or any corporation to which the Warrant Agent shall sell or otherwise transfer all or substantially all of its assets and business shall be the successor Warrant Agent under this Agreement without the execution or filing of any paper or any further act on the part of any of the parties to this Agreement, provided that the successor Warrant Agent is eligible for appointment as a successor Warrant Agent under the provisions of this Section 11.6. If at the time a successor Warrant Agent is appointed any of the Warrant Certificates shall have been countersigned but not delivered, any such successor Warrant Agent may adopt the countersignature of the original Warrant Agent and deliver such Warrant Certificates so countersigned, and all such Warrant Certificates shall be fully valid and effective as provided in this Agreement.

(e) Name Change. If the name of the Warrant Agent shall be changed and at such time any of the Warrant Certificates shall have been countersigned but not delivered, the Warrant Agent may adopt the countersignatures under its prior name and deliver such Warrant Certificates so countersigned, and all such Warrant Certificates shall be fully valid and effective as provided in this Agreement.

12. MISCELLANEOUS

12.1 Notices.

(a) Any notice pursuant to this Agreement shall be in writing addressed to the relevant address set forth below or such other relevant address as may be specified in writing by the relevant party. A notice shall be deemed properly made: (i) upon personal delivery, (ii) five (5) days after deposit in the mail, postage prepaid, first class mail, or (iii) one (1) day after deposit with a recognized overnight courier, postage prepaid.

If to the Company:

Macatawa Bank Corporation
10753 Macatawa Drive
Holland, Michigan 49424
Attn: Chief Financial Officer
Facsimile: (616) 494-7644

If to the Warrant Agent:

Registrar and Transfer Company
10 Commerce Drive
Cranford, New Jersey 07016
Attn: Daniel Flynn
Facsimile: (908) 497-2310

(b) Any notice pursuant to this Agreement by the Company or the Warrant Agent to the Holders shall be in writing and shall be delivered to such Holders at their respective addresses in the Warrant Register. The address of each Holder shall be as provided in the Warrant Register. Any Holder may change its address by notice to the Company and the Warrant Agent given in accordance with this Section 12.1. Failure to provide notice to a Holder or any defect in such notice shall not affect its sufficiency with respect to other Holders. If a notice is mailed in the manner provided by this Section 12, it is duly given, whether or not the addressee receives it.

12.2 Cancellation of Warrants. In the event the Company shall purchase or otherwise acquire Warrants, such Warrants shall be delivered to the Warrant Agent and be cancelled by it and retired. The Warrant Agent shall cancel any Warrant Certificate surrendered for exchange, substitution, transfer or exercise in whole or in part.

12.3 Supplements and Amendments. The Company and the Warrant Agent may from time to time supplement or amend this Agreement, the Warrants and the Warrant Certificates without approval of any Holder, in order to: (a) cure any ambiguity or correct or supplement any provision contained in the Agreement, the Warrants and the Warrant Certificates that may be defective or inconsistent with any other provision in such documents, (b) comply with the requirements of any national securities exchange or the Market, or (c) make any other changes to this Agreement, the Warrants and the Warrant Certificates that (i) the Company and the Warrant Agent may deem necessary or desirable, (ii) shall not be inconsistent with the provisions of this Agreement, the Warrants and the Warrant Certificates, and (iii) shall not adversely affect the rights of any Holder. Any other supplement or amendment to this Agreement, the Warrants and the Warrant Certificates may be made with the approval of the Holders of a majority of the then outstanding Warrants, provided, however, that no such supplement or amendment shall, without the written consent of each Holder affected thereby, (w) shorten the Exercise Period for any Warrant, (x) increase the Exercise Price payable pursuant to any Warrant, (y) modify the provisions of this Section 12.3 or (z) increase the obligations of any Holder or otherwise disproportionately adversely affect the rights of any Holder. The Company shall give or cause the Warrant Agent to give prompt notice to all Holders of any supplement or amendment pursuant to this Section 12.3.

12.4 Successors. All the covenants and provisions of this Agreement by or for the benefit of the Company or the Warrant Agent shall bind and inure to the benefit of the Company or the Warrant Agent and their respective successors.

12.5 Applicable Law. The terms and conditions of this Agreement and the Warrants shall be governed, construed, interpreted, and enforced in accordance with the domestic laws of the State of Michigan, without regard to its conflict of laws principles.

12.6 Benefits of this Agreement. Nothing in this Agreement shall be construed to give any person or corporation other than the Company, the Warrant Agent and the Holders any legal or equitable right, remedy or claim under this Agreement. This Agreement shall be for the sole and exclusive benefit of the Company, the Warrant Agent, their respective assigns and the Holders.

12.7 Execution in Counterparts. This Agreement may be executed in multiple counterparts, which, when taken together, shall constitute one and the same instrument.

12.8 Captions. The captions of the sections and subsections of this Agreement have been inserted for convenience only and shall have no substantive effect.

(Signatures appear on the following page.)

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first above written.

COMPANY:

Macatawa Bank Corporation

By: _____

Name: _____

Title: _____

WARRANT AGENT:

Registrar and Transfer Company

By: _____

Name: _____

Title: _____

Signature Page to the Warrant Agreement

TO BE IN THE FORM OF A BANKNOTE CERTIFICATE

CUSIP No. _____

THIS WARRANT IS GOVERNED BY AND SUBJECT TO THE TERMS AND CONDITIONS CONTAINED IN THE WARRANT AGREEMENT. A COPY OF THE WARRANT AGREEMENT MAY BE OBTAINED UPON REQUEST FROM MACATAWA BANK CORPORATION OR THE WARRANT AGENT .

Warrant to Purchase Common Stock of Macatawa Bank Corporation

This Warrant (the "Warrant") is issued to _____, or his, her or its registered assigns (the "holder") by Macatawa Bank Corporation, a Michigan corporation (the "Company"), on _____, 2009 (the "Warrant Issue Date"). This Warrant is issued pursuant to that certain Warrant Agreement, dated _____, 2009 (the "Warrant Agreement"), between the Company and Registrar and Transfer Company, a New Jersey corporation (the "Warrant Agent") and in furtherance of that certain Settlement and Release and Stock and Warrant Issuance Agreement, dated [November 26, 2008], in settlement of the lawsuit pending in the United States District Court for the Western District of Michigan, entitled *In re Trade Partners, Inc. Investor Litigation*, Case No. 1:07-MD-1846-RHB, and the lawsuit pending in the Kent County Circuit Court in Grand Rapids, Michigan, entitled *Giese et al. v. Macatawa Bank Corp et al.*, Case No. 06-11707-CZ.

1. **Definitions.** All capitalized terms not defined herein shall have the meanings ascribed to them in the Warrant Agreement.
 2. **Purchase Shares.** Subject to the terms and conditions hereinafter set forth, the holder is entitled, upon surrender of this Warrant to the Warrant Agent, to purchase from the Company up to _____ (_____) fully paid and non-assessable shares of the Company's Common Stock. The number of shares of Common Stock issuable pursuant to this Section 2 shall be subject to adjustment pursuant to Section 8 of the Warrant Agreement.
 3. **Exercise Price.** The purchase price for each Warrant Share shall be \$9.00 per share, as adjusted from time to time pursuant to Section 8 of the Warrant Agreement (the "Exercise Price"). All payments shall be made in lawful money of the United States of America by certified or official bank check or checks payable to the order of the Company or by wire transfer.
 4. **Exercise Period.** This Warrant shall be exercisable, in whole or in part, on any Business Day, from and after the later of (a) _____, 2009 and (b) the Effective Date of the Registration Statement and until 5:00 p.m., Holland, Michigan time, on the fifth anniversary of the later of (a) or (b), as such period may be extended pursuant to the terms of the Warrant Agreement (the "Exercise Period").
-

5. Method of Exercise. While this Warrant remains outstanding and during the Exercise Period, the holder may exercise, in whole or in part, the purchase rights evidenced hereby. Such exercise shall be effected by: (a) the surrender of this Warrant, together with a duly executed copy of the form of Notice of Election (attached to this Warrant), to the Warrant Agent at its principal offices; and (b) the payment to the Warrant Agent for the account of the Company of an amount equal to the aggregate Exercise Price for the number of Warrant Shares being purchased in any manner permitted in the Warrant Agreement.
6. Certificates for Warrant Shares. Upon the exercise of the purchase rights evidenced by this Warrant, one or more certificates for the number of Warrant Shares so purchased shall be issued as soon as practicable thereafter (with appropriate restrictive legends, if applicable), and in any event within thirty (30) days of the delivery of the Notice of Election. In case the holder shall exercise this Warrant with respect to less than all of the Warrant Shares that may be purchased under this Warrant, the Company shall execute a new warrant in the form of this Warrant for the balance of such Warrant Shares and deliver such new warrant to the holder of this Warrant.
7. No Fractional Shares or Scrip. No fractional shares or scrip representing fractional shares shall be issued upon the exercise of this Warrant, but in lieu of such fractional shares, the Company shall make a cash payment for such fractional shares or scrip on the basis of the Trading Price determined as of the date of exercise.
8. No Shareholder Rights. Prior to exercise of this Warrant, the holder shall not be entitled to any rights of a shareholder with respect to the Warrant Shares, including (without limitation) the right to vote such Warrant Shares, receive dividends or other distributions thereon, exercise preemptive rights or be notified of shareholder meetings, and such holder shall not be entitled to any notice or other communication concerning the business or affairs of the Company. However, nothing in this Section 8 shall limit the right of the holder to be provided the notices required under the Warrant Agreement.
9. Transfers of Warrant. Subject to compliance with applicable federal and state securities laws, this Warrant and all rights (but only with all related obligations) under this Warrant are transferable in whole or in part by the holder. The transfer shall be recorded on the books of the Company upon (a) the surrender of this Warrant, properly endorsed, or as otherwise provided for in Section 3 of the Warrant Agreement, to the Warrant Agent at its principal offices, and (b) the payment to the Company of all transfer taxes and other governmental charges imposed on such transfer. In the event of a partial transfer, the Company shall issue to the holders one or more appropriate new warrants.
10. Successors and Assigns. The terms and provisions of this Warrant and the Warrant Agreement shall inure to the benefit of, and be binding upon, the Company and the holders hereof and their respective successors and assigns.
11. Amendments and Waivers. Any term of this Warrant may be amended and the observance of any term of this Warrant may be waived (either generally or in a particular instance and either retroactively or prospectively), with the written consent of the Company and the holder. Any waiver or amendment effected in accordance with this Section shall be binding upon each holder of any Warrant Shares purchased under this Warrant at the time outstanding (including securities into which such Warrant Shares have been converted), each future holder of all such Warrant Shares, and the Company.

12. Notices. All notices required under this Warrant shall be deemed to have been given or made for all purposes (a) upon personal delivery, (b) five (5) days after deposit in the mail, postage prepaid, first class mail, or (c) one (1) day after deposit with a recognized overnight courier, postage prepaid. Notices to the Company shall be sent to 10753 Macatawa Drive, Holland, Michigan 49424 (or at such other place as the Company shall notify the holder hereof in writing). Notices to the holder shall be sent to the address of the holder in the Warrant Register. Notices to the Warrant Agent shall be sent to 10 Commerce Drive, Cranford, New Jersey 07016, Attn: Dan Flynn (or such other address as the Warrant Agent shall indicate in a notice to the Company and the holder).

13. Captions. The section and subsection headings of this Warrant are inserted for convenience only and shall not constitute a part of this Warrant in construing or interpreting any provision hereof.

14. Governing Law. The terms and conditions of this Warrant shall be governed, construed, interpreted, and enforced in accordance with the domestic laws of the State of Michigan, without regard to its conflict of laws principles.

15. Warrant Agreement. This Warrant is governed by and subject to the terms and conditions contained in the Warrant Agreement. In the event of a conflict between the provisions of the Warrant Agreement and this Warrant, the provisions of the Warrant Agreement shall govern. A copy of the Warrant Agreement may be obtained at no cost upon request from the Company at its principal office or from the Warrant Agent.

IN WITNESS WHEREOF, the Company and the Warrant Agent have caused this Warrant to be executed by their duly authorized officers.

COMPANY:

Macatawa Bank Corporation

By: _____

Name: _____

Title: _____

WARRANT AGENT:

Registrar and Transfer Company

By: _____

Name: _____

Title: _____

MACATAWA BANK CORPORATION

WARRANT NOTICE OF EXERCISE

To: Registrar and Transfer Company
10 Commerce Drive
Cranford, New Jersey 07016

1. The undersigned hereby elects to purchase _____ shares of Common Stock of Macatawa Bank Corporation, a Michigan corporation (the "Company"), pursuant to the terms of the attached Warrant and the Warrant Agreement referenced in such Warrant. To the extent the undersigned is not exercising this Warrant in full, please reissue and return to the undersigned a new Warrant to purchase the remaining number of shares of Common Stock.

2. Payment of the Exercise Price per share required under such Warrant accompanies this notice in the amount of \$ _____ by means of:

_____ wire transfer of immediately available funds to the Warrant Agent for the account of the Company,

_____ certified or official bank check or checks to the order of the Company, or

_____ surrender of the right to receive Warrant Shares having an aggregate Trading Price determined as of the date hereof equal to the aggregate Exercise Price.

Signature: _____

Name in Which Shares Are to be Registered:

Print Name: _____

Print Name: _____

SSN: _____

SSN: _____

Address: _____

Address: _____

Date:

Signatures must be guaranteed by an eligible guarantor institution (a bank, stockbroker, savings and loan association or credit union with membership in an approved signature guarantee medallion program) pursuant to Rule 17Ad-15 of the Securities Exchange Act of 1934, as amended.

Signature Guaranteed by: _____

MACATAWA BANK CORPORATION

WARRANT TRANSFER

*To: Registrar and Transfer Company
10 Commerce Drive
Cranford, New Jersey 07016*

For value received, the undersigned hereby sells, assigns and transfers unto _____ the right to purchase _____ (_____) shares of Common Stock, no par value, of Macatawa Bank Corporation, a Michigan corporation (the "Corporation") pursuant to the attached Warrant and does hereby irrevocably constitute and appoint Registrar and Transfer Company as the undersigned's attorney-in-fact, with full power of substitution, to transfer the Warrant, or such portion as is transferred hereby, on the books of the Corporation. The undersigned requests that the Registrar and Transfer Company issue to the transferee a Warrant certificate evidencing such transfer and to issue to the undersigned a new Warrant evidencing the right to purchase Common Stock for the balance not so transferred, if any.

Signature: _____

Name in Which Shares Are to be Registered:

Print Name: _____

Print Name: _____

SSN: _____

SSN: _____

Address: _____

Address: _____

Date: _____

Signatures must be guaranteed by an eligible guarantor institution (a bank, stockbroker, savings and loan association or credit union with membership in an approved signature guarantee medallion program) pursuant to Rule 17Ad-15 of the Securities Exchange Act of 1934, as amended.

Signature Guaranteed by: _____

Warner Norcross & Judd LLP
Attorneys at Law
900 Fifth Third Center
111 Lyon Street, N.W.
Grand Rapids, Michigan 49503-2487

March 3, 2014

Macatawa Bank Corporation
10753 Macatawa Drive
Holland, Michigan 49424

Re: **Macatawa Bank Corporation**
Form S-3 Registration Statement
6,922,508 Shares of Common Stock, No Par Value

Ladies and Gentlemen:

We are counsel to Macatawa Bank Corporation, a Michigan corporation (the "Company"), in connection with the preparation of a registration statement on Form S-3 (the "Registration Statement") being filed with the Securities and Exchange Commission (the "Commission") relating to the resale from time to time by selling shareholders, pursuant to Rule 415 of the General Rules and Regulations of the Commission promulgated under the Securities Act of 1933, as amended (the "Securities Act"), of up to 6,922,508 shares of common stock of the Company, no par value (the "Shares").

We are familiar with the proceedings taken by the Company in connection with the authorization of the Shares. We have examined such documents, records, and matters of law as we have deemed necessary for purposes of this opinion. In our examination, we have assumed the genuineness of all signatures, the legal capacity of all natural persons, the authenticity of all documents submitted to us as originals, the conformity to original documents of all documents submitted to us as certified or photostatic copies, and the authenticity of the originals of such copies.

Based upon the foregoing, we are of the opinion that the Shares are validly issued, fully paid, and non-assessable.

We express no opinion as to the applicability of, compliance with or effect of, the law of any jurisdiction other than the laws of the State of Michigan and the federal laws of the United States. The opinions expressed above are as of the date of this letter, and we do not assume an obligation to update or supplement those opinions to reflect a fact or circumstance that in the future comes to our attention or a change in law that in the future occurs or becomes effective. This letter is limited to the matters set forth in it, and no opinions are implied or may be inferred beyond those expressly stated above.

We consent to the prospectus discussion of this opinion contained in the Registration Statement, the reproduction of this opinion as an exhibit to the Registration Statement, and to being named under the caption "Legal Matters" in the Registration Statement. In giving this consent, we do not hereby admit that we are in the category of persons whose consent is required under Section 7 of the Securities Act.

This opinion is rendered for the purposes of Part II, Item 16 of Form S-3 and Item 601(b)(5) of Regulation S-K and may not be used, quoted, or referred to or filed for any other purpose without our prior written permission.

Warner Norcross & Judd LLP

By /s/ Charlie Goode
Charlie Goode, a Partner

Consent of Independent Registered Public Accounting Firm

Board of Directors and Shareholders
Macatawa Bank Corporation
Holland, Michigan

We hereby consent to the incorporation by reference in the Prospectus constituting a part of this Registration Statement of our report dated February 20, 2014 relating to the consolidated financial statements, and the effectiveness of Macatawa Bank Corporation's internal control over financial reporting, appearing in the Company's Annual Report on Form 10-K for the year ended December 31, 2013.

We also consent to the reference to us under the caption "Experts" in the Prospectus.

/s/ BDO USA, LLP

Grand Rapids, Michigan
March 3, 2014

Warner Norcross & Judd LLP

Attorneys at Law
900 Fifth Third Center
111 Lyon Street, N.W.
Grand Rapids, Michigan 49503-2487

Telephone (616) 752-2000
Fax (616) 752-2500

March 3, 2014

EDGAR TRANSMISSION

Securities and Exchange Commission
100 F Street, N.E.
Washington, D.C. 20549

Re: **Macatawa Bank Corporation**
Form S-3/A Registration Statement

Ladies and Gentlemen:

Transmitted with this letter is a Registration Statement on Form S-3/A filed by Macatawa Bank Corporation ("Macatawa"). This filing is transmitted electronically through the EDGAR system and is subject to Regulation S-T. Pursuant to Rule 309, only one copy of this electronically formatted document is transmitted.

This firm has on file a manually signed counterpart of each signed document that appears in electronic format in the filing. We hereby undertake, on behalf of Macatawa, to retain such signed documents for a period of five years and to furnish a copy of any such signed documents to the Commission or its staff upon request.

If the Commission has any comments or will require any further information, please contact me by phone at (616) 752-2353 or by fax at (616) 222-2353.

Very truly yours,

/s/ Daniel C. Persinger

Daniel C. Persinger