

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

FORM 8-K

CURRENT REPORT PURSUANT
TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934

Date of Report (Date of earliest event reported) July 19, 2006

Farmers & Merchants Bancorp, Inc.
(Exact Name of Registrant as Specified in its Charter)

Ohio (State or Other Jurisdiction of Incorporation)	000-14492 (Commission File Number)	34-1469491 (IRS Employer Identification No.)
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307-11 N. Defiance, Archbold, Ohio (Address of Principal Executive Offices)	43502 (Zip Code)
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Registrant's Telephone Number, including Area Code (419) 446-2501

N/A
(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2 below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communication pursuant to Rule 13e-4(c) under the exchange Act (17-CFR 240.13e-4(c))

ITEM 7.01. REGULATION FD DISCLOSURE

On July 19, 2006, Registrant issued a letter to shareholders accompanying the payment of a quarterly dividend of \$0.15 per share payable on July 20, 2006. The letter indicates that the amount of the current dividend represents an increase of 20% over the amount of the previous quarterly dividend, and that Registrant no longer anticipates paying a year-end special dividend. The letter to shareholders also announces the addition of new market makers for Registrant's common stock and provides contact information for all of Registrant's current market makers. The letter to shareholders is furnished as Exhibit No. 99 and incorporated herein by reference.

ITEM 9.01. FINANCIAL STATEMENTS AND EXHIBITS

(d) Exhibits

The following exhibit is filed with or incorporated by reference into the Current Report on 8-K:

Number	Exhibit
99	Letter to Shareholders

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Dated: July 19, 2006

/s/ Barbara J. Britenriker

Barbara J. Britenriker
Executive Vice President &
Chief Financial Officer
(Principal Financial and Accounting
Officer)

EXHIBIT INDEX

Exhibit Number	Description of Exhibit
99	Letter to Shareholders

(FARMERS & MERCHANTS BANCORP, INC. LOGO)

Dear Shareholder,

On June 16, 2006, The Board of Directors declared a \$0.15 per share dividend to be paid on July 20, 2006 to shareholders of record of June 16, 2006. Enclosed is your check or deposit notice of the dividend payment.

This dividend is an increase of twenty (20) percent above the dividend paid in April and as you will remember that dividend was an eleven (11) percent increase over the previous regular quarterly dividend. These large increases have been approved with the intent to level out the quarterly dividends throughout the year and hopefully show an increase in what you may receive annually. With these increases The Board of Directors does not anticipate a special year end "bonus" dividend to be paid in January.

Based on the increased number of shares and following the stock split that occurred on May 12, 2006, we have been able to add additional market makers for our F & M Bancorp Stock. Enclosed is a listing of our current market makers if you are interested in purchasing or selling shares of stock.

If you would like to see our current financial statement it can be viewed through the bank website: www.fm-bank.com under F & M Bancorp. The June Statement will be available as soon as our second quarter financial statements are filed with the United States Security and Exchange Commission (SEC). Which should be by month end.

As always, if you have any questions please feel free to contact us.

Sincerely,

/s/ Paul S. Siebenmorgen

Paul S. Siebenmorgen
President & CEO

P.O. BOX 216 307-11 NORTH DEFIANCE ST., ARCHBOLD, OHIO 43502
PHONE (419) 446-2501

(FARMERS & MERCHANTS BANCORP, INC. LOGO)

At the present time The Farmers & Merchants State Bank would like to introduce the following Market Makers to those who may be interested in buying or selling Bancorp Stock:

Donelly Pennman & Partners
1373 Grandview Avenue, Suite 208
Columbus, OH 43212
Attn: Matthew E. Lee
Ph. 800-217-7411

Ferris, Baker, Watts, Inc
655 Metro Place South
Dublin, Ohio 43017
Attn: Thomas Dooley
Ph. 866-313-4803

Howe Barnes Investment
222 S. Riverside Plaza, 7th Floor
Chicago, IL 60606
Attn: Lew Coines
Ph. 800-800-4693
312-655-2964

Keefe, Bruyette, & Woods (KBW)
787 7th Avenue, 4th Floor
New York, NY 10019
Attn: Troy Carlson
Ph. 212-887-8901

Sweney Cartwright & Co.
17 South High Street, Suite 300
Columbus, Ohio 43215
Attn: George Geissbuhler
Ph. 800-334-7481

If you have any questions or concerns please don't hesitate to contact Lydia Huber, Corporate Secretary, at 419-446-2501 ext. 200.

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