



1943 ISAAC NEWTON SQUARE
SUITE 100
RESTON, VIRGINIA 20190
703-584-0840

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS
To be held April 28, 2015

TO THE SHAREHOLDERS OF JOHN MARSHALL BANK:

The Annual Meeting of Shareholders of John Marshall Bank (the "Bank"), will be held at:

Sheraton Reston Hotel
11810 Sunrise Valley Drive
Reston, Virginia 20190

on Tuesday, April 28, 2015, at 10:00 a.m. for the following purposes:

1. To elect ten (10) directors to serve until the 2016 Annual Meeting of Shareholders and until their successors are duly elected and qualified;
2. To consider and approve the Bank's 2015 Stock Incentive Plan;
3. To consider and approve an amendment to the Bank's Articles of Incorporation increasing the number of authorized shares of common stock to 20,000,000;
4. To ratify the appointment of Yount, Hyde & Barbour, P.C. as the Bank's independent registered public accountants for the year ended December 31, 2015; and
5. To transact any other business that may properly come before the meeting or any adjournment or postponement of the meeting.

Shareholders of record as of the close of business on February 27, 2015 are entitled to notice of and to vote at the meeting or any adjournment or postponement of the meeting.

By Order of the Board of Directors

John R. Maxwell
Chairman and Chief Executive Officer

March 13, 2015

YOUR VOTE IS VERY IMPORTANT. Whether or not you plan to attend the meeting, we urge you to vote and submit your proxy in order to ensure the presence of a quorum. You may vote your proxy by Internet, phone or mail. If you attend the meeting, you may, if you desire, revoke your proxy and vote in person. If your shares are not registered in your name, you will need additional documentation from your recordholder in order to vote in person at the meeting.



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ANNUAL MEETING OF SHAREHOLDERS
Proxy Statement

INTRODUCTION

This Proxy Statement is being sent to shareholders of John Marshall Bank, a Virginia chartered commercial bank (the “Bank”), in connection with the solicitation of proxies by the Board of Directors of the Bank for use at the Annual Meeting of Shareholders, to be held at 10:00 a.m. on April 28, 2015 and at any adjournment or postponement of the meeting. The purposes of the meeting are:

1. electing ten (10) directors to serve until the 2016 Annual Meeting of Shareholders and until their successors are duly elected and qualified;
2. considering and approving the Bank’s 2015 Stock Incentive Plan;
3. considering and approving an amendment to the Bank’s Articles of Incorporation increasing the number of authorized shares of common stock to 20,000,000;
4. ratifying the appointment of Yount, Hyde & Barbour, P.C. as the Company’s independent registered public accountants for the year ended December 31, 2015; and
5. transacting any other business that may properly come before the meeting or any adjournment or postponement of the meeting.

The meeting will be held at:

Sheraton Reston Hotel
11810 Sunrise Valley Drive
Reston, Virginia 20191

This proxy statement and proxy card are being sent to shareholders of the Bank on or about March 13, 2015. A copy of the Bank’s Annual Report to Shareholders, containing the Bank’s audited financial statements, for the year ended December 31, 2014 also accompanies this proxy statement.

VOTING RIGHTS AND PROXIES

Voting Rights

Only shareholders of record at the close of business on February 27, 2015 (the “Record Date”) will be entitled to notice of and to vote at the meeting or any adjournment or postponement of the meeting. On that date, the Bank had 8,316,211 shares of voting common stock, par value \$5.00 per share (the “common stock”) outstanding, held by approximately 936 shareholders of record. The common stock is the only class of the Bank’s stock of which shares are outstanding. Each share of common stock is entitled to one vote on all matters submitted to a vote of the shareholders. Shareholders do not have the right to cumulate votes in the election of directors. The presence, in person or by proxy, of not less than a majority of the total number of outstanding shares of common stock is necessary to constitute a quorum at the meeting.

Proxies

Properly executed proxies received by the Bank in time to be voted at the meeting will be voted as specified by shareholders. In the absence of specific instructions, proxies received will be voted **FOR** the election of the nominees for election as directors; **FOR** the approval of the 2015 Stock Incentive Plan; **FOR** approval of the amendment to the articles of incorporation increasing the number of authorized shares of common stock; and **FOR** the ratification of the appointment of Yount, Hyde & Barbour, P.C. as the Company's independent registered public accountants for the year ended December 31, 2015. Management does not know of any matters that will be brought before the meeting, other than as described in this proxy statement. If other matters are properly brought before the meeting, the persons named in the proxy intend to vote the shares to which the proxies relate in accordance with their best judgment.

The judges of election appointed by the Board of Directors for the meeting will determine the presence of a quorum and will tabulate the votes cast at the meeting. Abstentions will be treated as present for purposes of determining a quorum, but as unvoted for purposes of determining the approval of any matter submitted to the vote of shareholders. If a broker indicates that it does not have discretionary authority to vote any shares of common stock on a particular matter, such shares will be treated as present for general quorum purposes, but will not be considered as present or voted with respect to that matter. We expect that brokers will not vote shares on the election of directors or the approval of the 2015 Stock Incentive Plan unless they receive instructions from the beneficial owners of the shares they hold. **Therefore, if you hold your shares through a bank or broker, it is extremely important that you instruct your record holder how to vote your shares.**

You may vote your proxy:

- By Internet: go to www.proxyvote.com
- By toll-free telephone: call 1-800-690-6903; or
- By mail: mark, sign, date and promptly mail the enclosed proxy card in the enclosed postage-paid envelope.

If you vote your proxy by Internet or telephone, you must do so by 11:59 p.m, eastern time, on the earlier of the day before the meeting or the voting cut-off date established by your broker.

You may revoke your proxy at any time before it is voted at the meeting:

- By granting a later dated proxy with respect to the same shares;
- By sending written notice to Kay Bond, at 1943 Isaac Newton Square, Suite 100, Reston, Virginia 20190 at any time prior to the proxy being voted; or
- By voting in person at the meeting.

Attendance at the meeting will not, in itself, revoke a proxy. If your shares are held in the name of your bank or broker, you will need an additional document from your recordholder, called a "legal proxy," to vote in person at the meeting. Please see the voting form provided by your recordholder for additional information regarding the voting of your shares.

Shareholders whose shares are held in an account at a brokerage firm or bank will have the option to submit their proxies or voting instructions electronically through the Internet or by telephone. Shareholders should check the voting form or instructions provided by their recordholder to see which options are available. To revoke a proxy previously submitted electronically, a shareholder may simply submit a new proxy at a later date before the earlier of (i) taking of the vote at the meeting, and (ii) the deadline for submission of voting instructions that has been established by your broker. The later submitted proxy will be recorded and the earlier proxy will be revoked.

The enclosed proxy is being solicited on behalf of the Board of Directors of the Bank. The cost of this proxy solicitation is being borne by the Bank. In addition to the use of the Internet, phone and mail, proxies may be solicited personally or by telephone, by officers, regular employees or directors of the Bank, who will not be compensated for any such services. Brokerage firms, fiduciaries and other custodians who forward soliciting material to the beneficial owners of shares of common stock held of record by them will be reimbursed for their reasonable expenses incurred in forwarding such material. The Bank has not retained a professional proxy solicitor or other firm to assist it, for compensation, with the solicitation of proxies, although it may do so if deemed appropriate.

PROPOSAL 1 – ELECTION OF DIRECTORS

Ten (10) directors will be elected at the meeting for a term extending until the 2016 Annual Meeting of Shareholders and until their successors have been elected and qualified. Unless authority is withheld, all proxies in response to this solicitation will be voted for the election of the nominees listed below. Each nominee has indicated a willingness to serve if elected. However, if any nominee becomes unable to serve, the proxies received in response to this solicitation will be voted for a replacement nominee selected in accordance with the best judgment of the proxy holders named therein. Each of the nominees for election as director currently serves as a director.

Vote Required and Board Recommendation. Nominees receiving a plurality of the votes cast at the meeting in the election of directors will be elected as director, in the order of the number of votes received. Members of the Board of Directors and executive officers of the Bank having the power to vote or direct the voting of 1,410,843 shares of common stock, or approximately 17.0% of the shares of common stock outstanding on the Record Date, have indicated their intention to vote **“FOR”** the election of all of the nominees for election as director.

Nominees for Election as Directors

Set forth below is certain information as of the Record Date concerning the nominees for election as Director of the Bank. Except as otherwise indicated, the occupation listed has been such person’s principal occupation for at least the last five years.

Philip W. Allin. Mr. Allin, 57, serves as Chairman and CEO of Systems Furniture Galley, Inc., as President and CEO of Office Outfitters, Inc., as well as Vice President and Chief Financial Officer of SEI Furniture and Design ~ Supplies Express, Inc. Systems Furniture Gallery is a dominant provider of high quality Office and School Furnishings to Businesses, Government, and Education. Office Outfitters sells office furniture and office supplies primarily focusing on the private sector, with a business-to-business account base in the Washington, D.C. metropolitan and Tidewater, Virginia areas. SEI provides services primarily to the federal and local government. SEI sells office furniture, space planning, and installation services primarily to the Federal and local government, as well as government contractors on GSA Schedule. Mr. Allin is Chairman of the Board of Fairfax Water and has previously served as Vice Chairman and Treasurer. He has been on the Fairfax Water Board of Directors since 1992. Mr. Allin is an Owner and Treasurer of Barrel Oak Winery in Delaplane, Virginia. Barrel Oak was named the #1 Family Friendly Winery in the World in 2012 by Wine Enthusiast Magazine. Mr. Allin earned a Bachelor of Science degree in Business Administration and Finance from the University of Maryland, College Park. Mr. Allin has served as a Director of the Bank since its organization. Mr. Allin’s position as a member of the Board of Directors is supported by his educational background in the area of business administration and finance, and his professional experience as principal and Chief Financial Officer of a local small business.

Philip R. Chase. Mr. Chase, 58, is owner and principal of Synergis LLC, a management and business advisory firm which focuses on Strategic Planning and Chief Financial Officer support in the government contracting industry. His engagements have included service as Senior Vice President/Chief Financial Officer of Imperatis Corporation, a leading provider of mission-critical intelligence and cyber security services to the Armed Forces and the Federal Government, President of Rawlings Systems Corporation, a management services provider to the US Navy, and Vice President of Finance for PerformTech, Inc., an e-learning company primarily supporting the Office of Personnel Management. From 2002 to 2006, he was a senior manager and Director of Corporate Operations at Stanley Associates, an information technology and professional services firm located in Arlington, Virginia. Prior to that, Mr. Chase was an owner, Vice President, and Chief Financial Officer of CCI, Incorporated, a professional services government contractor acquired by Stanley Associates in 2002. He has also worked in the banking industry in a lending and risk management capacity for approximately seven years. Mr. Chase is actively involved with SNVC, a technology government contractor in Northern Virginia, as a member of the Board of Directors. Mr. Chase has served as a Director of the Bank since its organization.

Jean Edelman. Ms. Edelman, 56, is a co-founder Edelman Financial Services LLC, one of the largest and most successful financial planning and investment management firms in the nation. She is a member of the Board of Trustees at Rowan University, which named the Edelman Planetarium in her and her husband’s honor (both are alumni of the University). Jean also founded the Edelman Nursing Center at Inova Hospital. Ms. Edelman became a Director in June 2008.

Michael T. Foster, FAIA. Mr. Foster, 52, a Fellow of the American Institute of Architects, is the founder and president of MTFA Architecture, an award-winning architecture, interiors, and urban planning firm. MTFA Architecture is a regional leader in sustainable design and development for commercial, educational, institutional, and government clients. Mr. Foster is active in the community having served as Chair of the Arlington Planning Commission. He currently serves on the Arlington Economic Development Commission and is the Past Chairman of the Arlington Chamber of Commerce. Mr. Foster is a mentor for the Urban Land Institute and is active in numerous professional, civic, and nonprofit organizations serving the community and the region. Mr. Foster became a Director in June 2008.

Subhash K. Garg. Mr. Garg, 64, is a co-founder and managing member of Wiener & Garg LLC, a certified public accounting firm in Rockville, Maryland. Since June 1978, Mr. Garg has been a member of the American Institute of CPAs and the Virginia Society of CPAs. Mr. Garg is involved with several non-profit organizations in the Washington D.C. metropolitan area which are helping to bring and expand Indian sub-continent culture in the community. Mr. Garg became a Director in June 2008.

Ronald J. Gordon. Mr. Gordon, 58, is the Chairman and CEO of ZGS Communications (“ZGS”), a Hispanic-owned Spanish-language media company with interests in television, radio and web. Founded in 1983 by Mr. Gordon, ZGS now owns and operates 9 Spanish-language television stations, representing the largest group of independent stations affiliated with the Telemundo television network. Between April 2009 and December 2011 Mr. Gordon was President of the Telemundo Station Group, overseeing operations of all the local Telemundo stations in the continental United States and Puerto Rico. Mr. Gordon serves on the Board of Directors of the Industrial Development Authority of Arlington County, the Board of Trustees of the Arlington Community Foundation, and the Board of Trustees of WETA, the flagship PBS television station in the nation’s capital. Mr. Gordon received a B.A. in International Relations with a minor in Economics from Syracuse University.

Jonathan C. Kinney. Mr. Kinney, 68, is a shareholder at the law firm of Bean, Kinney and Korman, P.C. in Arlington, Virginia. Mr. Kinney serves as a Trustee of the Arlington County Retirement Board, a Trustee Emeritus of the Arlington Community Foundation and Community Residence Foundation, and is vice-chair of The Clarendon Alliance. For the last forty years he has been actively involved in Arlington civic matters. Mr. Kinney earned an undergraduate degree from Duke University and a Juris Doctorate degree in law from the University of Chicago Law School. Mr. Kinney became a Director in June 2008.

O. Leland Mahan. Mr. Mahan, 75, has practiced law in Leesburg, Virginia, for over 46 years. Currently, he is a senior partner at the law firm of Hall, Monahan, Engle, Mahan & Mitchell in Leesburg, Virginia. His primary areas of practice have been litigation, business, land use, real estate, wills and estate administration. Mr. Mahan earned a B.S. degree from Virginia Tech in 1961, and a Juris Doctorate degree in law from the University of Richmond in 1964. He served as President of the University of Richmond Law School Alumni Association from 1988 to 1990. He served as a Captain in the United States Air Force, serving in the Judge Advocate General’s Corp from 1964 to 1967. He is active in legal and community affairs, being a member of the Virginia Trial Lawyers Association, Virginia State Bar, Virginia Bar Association and past president of the Loudoun County Bar Association. Mr. Mahan is presently serving as a director and is the past President of the Loudoun Small Business Development Center. He has served in leadership roles as a member of the Loudoun County Redistricting Committee, the Loudoun County Economic Development Committee, American Legion, Kiwanis Club and Boy Scouts of America. Mr. Mahan served on the advisory boards of Virginia National Bank (Chairman 1980-1984), NationsBank and George Mason Bank. Mr. Mahan became a Director in June 2008.

John R. Maxwell. Mr. Maxwell, 54, has been Chief Executive Officer of the Bank since February 25, 2008. Previously, he was President and Chief Executive Officer of James Monroe Bank from April 1997 until its sale to Mercantile Bankshares Corporation (“Mercantile”) in July 2006. He served with Mercantile until November 2006. Prior to joining James Monroe Bank, he was Senior Vice President – Lending of The Bank of Northern Virginia from 1988 to 1996 and Executive Vice President and Chief Lending Officer of The Bank of Northern Virginia from 1996 to 1997. Mr. Maxwell became a member and Chairman of the Board of Directors in June 2008. Mr. Maxwell was the organizer of the group of directors and officers which, in 2008, made a significant investment in the Bank; facilitated the recapitalization of the Bank; refocused its business strategy; and restructured its Board of Directors and senior executive staff.

Lim P. Nguonly. Mr. Nguonly, 54, is the founder and President of Princess Jewelers. Since 1988 Princess Jeweler’s has built its reputation as a prominent Washington full-service quality jewelry store. Mr. Nguonly also pioneered the Atlanta-based women’s-only spa and fitness club, Women’s Premier Fitness, serving as President and Chairman. He is an Alumni of College de Valleyfield in Quebec, Canada and holds a Diamonds Diploma from the Gemological Institute of America (G.I.A.). Mr. Nguonly is now actively involved with numerous real estate investments. Mr. Nguonly became a Director in June 2008.

PROPOSAL 2 – APPROVAL OF THE 2015 STOCK INCENTIVE PLAN

At the meeting, the shareholders are being asked to approve the John Marshall Bank 2015 Stock Incentive Plan (the “2015 Plan”), which provides for the issuance of awards of incentive stock options, nonincentive stock options, restricted stock and restricted stock units, with respect to 384,141 shares of common stock.

The Bank currently maintains the 2006 Stock Option Plan, as amended (the “2006 Plan”), which expires in 2016, and pursuant to which incentive stock options and nonincentive stock options to purchase an aggregate of 384,141 shares of common stock are available for future issuance. The available shares under the 2006 Plan will be rolled over into the 2015

Plan, and shareholders are not being asked to increase the aggregate number of shares subject to issuance as equity based compensation.

The Board of Directors believes that it is important for the Bank to have greater flexibility to provide equity based awards other than stock options to employees and directors in order to insure that the Bank can hire, keep and motivate the quality of employees and directors that are necessary to the Bank's future development, growth and success. The 2015 Plan is being presented to shareholder for their approval in accordance with its terms, to enable the options to be treated as "incentive stock options" under federal tax law and to meet the requirements of Virginia law.

If the 2015 Plan is approved by shareholders, the 2015 Plan shall replace the 2006 Plan, which shall automatically be terminated as of the time of shareholder approval. Following such termination, options granted under the 2006 Plan shall continue in effect, and shall be subject to the provisions of the 2006 Plan, but no new options may be granted under the 2006 Plan.

A more detailed discussion of the material features of the 2015 Plan follows. All statements made herein regarding the 2015 Plan, which are only intended to summarize the 2015 Plan, are qualified in their entirety by reference to the 2015 Plan, a copy of which is included as Exhibit A to this proxy statement.

Description of the 2015 Plan

Administration. The 2015 Plan is administered by a committee (the "Committee") of at least three directors appointed by the Board who are non-employee directors. In the absence at any time of a duly appointed Committee, the 2015 Plan shall be administered by the non-employee directors serving on the Board's Human Resources Committee. However, at any time when any class of security of the Bank is traded on any national securities exchange or on the automated inter-dealer quotation system of national securities association, or the Bank is otherwise subject to listing requirements comparable to those provided in Rule 10A-3 under the Securities Exchange Act of 1934, then (i) all members of the Committee must be Independent Directors, and (ii) in the absence at any time of a duly appointed Committee, the 2015 Plan shall be administered by the members of the Board who are Independent Directors. An Independent Director is a member of the Board of Directors who is "independent" under the listing standards of The Nasdaq Stock Market, or other exchange on which the common stock is listed for trading.

Subject to the terms of the 2015 Plan, the Committee has the authority to select participants and to grant options, shares of restricted stock and restricted stock units under the 2015 Plan, to determine the terms of those awards, and otherwise to administer and interpret the 2015 Plan. Decisions of the Committee are final and conclusive, subject to the terms of the 2015 Plan. Members of the Committee will be indemnified to the full extent permissible under the Bank's Articles of Incorporation and Bylaws in connection with any claims or other actions relating to any action taken under the 2015 Plan.

Eligible Persons; Types of Awards. Under the 2015 Plan, the Committee may grant incentive stock options ("ISOs"), non-incentive stock options ("Non-ISOs" and together with ISOs, "options"), shares of restricted stock and restricted stock units to such officers and employees as the Committee may designate, and may grant Non-ISOs, shares of restricted stock and restricted stock units to directors.

Financial Effects of Awards. The Bank will receive no monetary consideration for the granting of awards under the 2015 Plan. It will receive no monetary consideration other than the exercise price for shares of common stock issued to optionees upon the exercise of their options. Except to the extent the Committee provides in an agreement reflecting an award of restricted stock or restricted stock units, the Company will not receive any monetary consideration for the issuance of restricted stock or restricted stock units.

The Bank is required to accrue compensation expense for the grant of options or other equity based instruments such as restricted stock and restricted stock units. Generally, the measurement date of the expense is the date of grant, subject to adjustment over the vesting or performance period for the award.

Shares Available for Grants. The 2015 Plan provides for the issuance of up to 384,141 shares of common stock upon the exercise of options or as awards of restricted stock or restricted stock units, representing approximately 4.6% of the number of shares currently outstanding, and approximately 4.4% of the number of shares which would be outstanding assuming issuance of all shares subject to the 2015 Plan. In the event of any merger, consolidation, recapitalization, reorganization, reclassification, stock dividend, split-up, combination of shares or similar event in which the number or kind of shares is changed without receipt or payment of consideration by the Bank, the number and kind of shares of stock as to which awards may be made under the 2015 Plan, the affected terms of all outstanding awards, and the aggregate number of shares of common stock remaining available for grant under the 2015 Plan will be adjusted. Upon any such adjustment, any fractional share which the recipient of an award would be entitled to receive upon exercise, in the case of an option, or vesting in the case of an award of restricted stock or restricted stock unit, will be cancelled, without compensation. If

awards should expire, become unexercisable, or be forfeited for any reason without having been exercised or become vested in full, the shares of common stock subject to such awards shall, unless the 2015 Plan shall have been terminated, be available for the grant of additional awards under the 2015 Plan.

Duration of the 2015 Plan and Grants. The 2015 Plan has a term of 10 years from the date on which the shareholders initially approved the 2015 Plan, or April 28, 2025, after which date no awards may be granted. The maximum term for an option award is ten years from the date of grant, except that the maximum term of an ISO may not exceed five years if the optionee owns more than 10% of the common stock on the date of grant. The expiration of the 2015 Plan, or its termination by the Committee, will not affect any award then outstanding.

Options. The exercise price of options may not be less than 100% of the fair market value of the common stock on the date of grant. In the case of an employee who owns more than 10% of the outstanding common stock on the date of grant, the exercise price of an ISO may not be less than 110% of fair market value of the shares at the time the ISO is granted. Additionally, under Virginia law, options granted by the Bank may not have an exercise price less than the book value per share of the Bank as reflected in the most recent financial statements published before the grant. This last provision will not apply if the 2015 Plan is assumed by a holding company formed by the Bank, as discussed below.

As required by federal tax laws, to the extent that the aggregate fair market value (determined when an ISO is granted) of the common stock with respect to which ISOs are exercisable by an optionee for the first time during any calendar year (under all plans of the Bank and of any subsidiary) exceeds \$100,000, the options will be treated as Non-ISOs, and not as ISOs. Neither the Board or the Committee may reprice any option unless the repricing is approved in advance by the shareholders of the Bank. For purposes of the 2015 Plan, repricing is defined by reference to the rules of the New York Stock Exchange ("NYSE") or Nasdaq. The NYSE defines repricing to include lowering the exercise price of an option after grant; canceling an option when its exercise price exceeds the fair market value of the underlying stock, in exchange for another option, restricted stock or other equity, or any other action treated as a repricing under generally accepted accounting principles.

Exercise of Options. The exercise of options will be subject to the terms and conditions established by the Committee in a written agreement between the Committee or Bank and the optionee.

In the absence of Committee action to the contrary, an otherwise unexpired ISO shall cease to be exercisable upon: (i) an employee's termination of employment for "just cause" (as defined in the 2015 Plan); (ii) the date three months after an employee terminates service for a reason other than just cause, death, or disability; or (iii) the date one year after an employee terminates service due to permanent and total disability. Following termination of service due to death, the unexpired option may be exercised within two years from the date of death.

In the absence of Committee action to the contrary, an otherwise unexpired Non-ISO shall cease to be exercisable upon: (i) an employee's or director's termination of service for "just cause" (as defined in the 2015 Plan); or (ii) the date three months after an employee, or one year after a director, terminates service for a reason other than just cause, death, or disability. Following termination of service due to death, or permanent and total disability, the unexpired option may be exercised until the normal expiration date of the option.

Notwithstanding the provisions of any option that provides for its exercise in installments, such option shall become immediately exercisable upon the optionee's death or termination of service as a result of disability.

In no event will any option be exercisable after its expiration date, as to fractional shares of common stock or prior to the optionee's satisfaction of any tax withholding requirements.

A participant may exercise options subject to provisions relative to their termination and limitations on their exercise, only by: (i) written notice of intent to exercise the option with respect to a specified number of shares of common stock; and (ii) payment to the Bank (contemporaneously with delivery of such notice) in cash of the amount of the exercise price for the number of shares with respect to which the option is then being exercised.

Restricted Stock and Restricted Stock Units. Restricted stock is an award of shares of common stock that is subject to forfeiture, restrictions against transfer, meeting specific corporate, divisional or individual performance or achievement standards or goals ("performance based conditions"), or other conditions or restrictions set forth in an award agreement. Restricted stock units are awards of the right to receive shares of common stock upon the satisfaction of conditions set forth in the award agreement. The Committee has discretion at the time of making a restricted stock or restricted stock unit grant to determine a period of up to five years during which the shares granted will be subject to restrictions, and the conditions that must be satisfied in order for the shares of restricted stock to become unrestricted (i.e., vested and nonforfeitable). For example, the Committee may condition vesting upon a recipient's continued employment or upon the recipient's attainment of performance based conditions. However, the minimum vesting period for restricted stock is three years if the vesting is

based solely on the passage of time and continued employment, although vesting may occur ratably over such period (i.e. one-third on the first anniversary of grant, one-third on the second anniversary and one-third on the third anniversary); and the minimum measurement date for vesting based upon performance criteria is one year. The Committee may determine the percentage of the award which shall vest in the event of death or disability prior to the expiration of the restriction period or the satisfaction of the restrictions applicable to an award. Neither the Committee nor the Board will have the authority, without shareholder approval, to accelerate the vesting period other than in the event of a change in control of the Bank or the death, disability, or termination of employment of the participant.

Until a recipient's interest vests, restricted stock and restricted stock units are nontransferable and forfeitable. Nevertheless, the recipient may be entitled to vote shares of restricted stock and to receive dividends and other distributions made with respect to restricted stock grants that are issued subject to forfeiture in the event that the vesting conditions are not met, as opposed to shares that are issued only upon satisfaction of the conditions. To the extent that a recipient becomes vested in restricted stock and has satisfied applicable tax withholding obligations, the Company will deliver unrestricted shares of common stock to the recipient. At the end of the restriction period, the recipient will forfeit any issued shares of restricted stock as to which the recipient did not earn a vested interest during the restriction period.

Change in Control. Upon a change in control, all awards are immediately exercisable and fully vested. At that time, the Committee may cancel outstanding options and give the holder the right to receive a cash payment in an amount equal to the excess of the market value of the shares subject to the option over the exercise price of the option. If there is: (i) a liquidation or dissolution of the Bank; (ii) a merger or consolidation in which the Bank is not the surviving entity; or (iii) the sale or disposition of all or substantially all of the Bank's assets, then all outstanding awards must be surrendered in return for a comparable award for shares of the acquiring company; shares of the acquiring company with a market value equal to the excess of the market value of the shares subject to the award on the date of the transaction over the exercise price of the option, or other amount payable in respect of an award of restricted stock or restricted stock unit; or cash equal to the excess of the market value of the shares subject to an award on the date of the transaction over the exercise price of the option, or other amount payable in respect of an award of restricted stock or restricted stock unit, as determined by the Board of Directors. In no event, however, may an option be exchanged for cash within the six-month period following the date of its grant.

A change in control under the 2015 Plan means any one of the following events: (i) except as provided in connection with a holding company formation for the Bank, any consolidation, merger, share exchange, or similar transaction relating to the Bank, or pursuant to which shares of the Bank's capital stock are converted into cash, securities of another entity and/or other property, other than a transaction in which the holders of the Bank's voting stock immediately before such transaction shall, upon consummation of such transaction, own at least fifty percent of the voting power of the surviving entity; (ii) any sale of all or substantially all of the assets of the Bank, other than a transfer of assets to a related person which is not treated as a change in control event under applicable treasury regulations; (iii) the exercise of a controlling influence over the management or policies of the Bank by any person or by persons acting as a "group" (within the meaning of Section 13(d) of the Securities Exchange Act of 1934); or (iv) where over a twelve month period, a majority of the members of the Board are replaced by directors whose appointment or election was not endorsed by a majority of the members of the Board in office prior to such appointment or election. A Change in Control does not include, formation of a holding company for the Bank, acquisition of ownership or control of voting securities of the Bank by an employee benefit plan sponsored by the Bank or; acquisition of voting securities by the Bank through share repurchase or otherwise; or acquisition by an exchange of voting securities with a successor to the Bank in a reorganization, such as a reincorporation, that does not have the purpose or effect of significantly changing voting power or control. The decision of the Committee as to whether a change in control has occurred is conclusive and binding, subject to the terms of the 2015 Plan.

Nontransferability. ISOs, restricted stock and restricted stock units may not be sold, pledged, assigned, hypothecated, transferred or disposed of in any manner other than by will or by the laws of descent and distribution. Non-ISOs may not be sold, pledged, assigned, hypothecated, transferred or disposed of in any manner other than by will or by the laws of descent and distribution, pursuant to the terms of a qualified domestic relations order, or, in the sole discretion of the Committee, in connection with a transfer for estate or retirement planning purposes to a trust established for such purposes.

Conditions on Issuance or Sale of Shares. The Committee has the authority to impose restrictions on shares issued under the 2015 Plan that it deems appropriate or desirable, including the authority to impose a right of first refusal, to establish repurchase rights, or to provide for the mandatory exercise or forfeiture of any outstanding options in the event that the Bank's primary federal banking regulator directs the Bank to so require if the Bank does not meet minimum regulatory capital requirements. The Committee may not issue shares unless the issuance complies with applicable securities laws, and to that end may require that an optionee or grantee make certain representations or warranties.

Amendment and Termination of the 2015 Plan. The Board may from time to time amend the terms of the 2015 Plan and, with respect to any shares at the time not subject to awards, suspend or terminate the 2015 Plan. Shareholder approval is required for an amendment that would increase the number of shares subject to the 2015 Plan or that would extend the term of

the 2015 Plan, or to make any other change which may be required under the listing requirements of any national securities exchange upon which the Bank's common stock is listed. No amendment, suspension or termination of the 2015 Plan will, without the consent of any affected holders of an award, alter or impair any rights or obligations under the award.

Federal Income Tax Consequences

ISOs. An employee recognizes no taxable income upon the grant of ISOs. If the optionee holds the option shares for at least two years from the date the ISO is granted and one year from the date the ISO is exercised, any gain realized on the sale of the shares received upon exercise of such ISO is taxed as long-term capital gain. However, the difference between the fair market value of the stock at the date of exercise and the exercise price of the ISO will be treated as an item of tax preference in the year of exercise for purposes of the alternative minimum tax. If the employee disposes of the shares before the expiration of either of the special holding periods, the disposition is a "disqualifying disposition." In this event, the employee will be required, at the time of the disposition of the stock, to treat the lesser of the gain realized or the difference between the exercise price and the fair market value of the stock at the date of exercise as ordinary income and the remaining gain, if any, as capital gain.

The Bank will not be entitled to any deduction for federal income tax purposes as the result of the grant or exercise of an ISO, regardless of whether or not the exercise of the ISO results in liability under the alternative minimum tax. However, if the employee has ordinary income taxable as compensation as a result of a disqualifying disposition, the Bank will be entitled to deduct an equivalent amount, subject to federal income tax limitations on annual executive compensation deductions.

Non-ISOs. In the case of a Non-ISO, an optionee will recognize ordinary income upon the exercise of the Non-ISO in an amount equal to the difference between the fair market value of the shares on the date of exercise and the exercise price (or, if the optionee is subject to certain restrictions imposed by the federal securities laws, upon the lapse of those restrictions unless the optionee makes a special tax election within 30 days after the date of exercise to have the general rule apply). Upon a subsequent disposition of such shares, any amount received by the optionee in excess of the fair market value of the shares as of the exercise will be taxed as capital gain. The Bank will be entitled to a deduction for federal income tax purposes at the same time and in the same amount as the ordinary income recognized by the optionee in connection with the exercise of a Non-ISO, subject to federal income tax limitations on annual executive compensation deductions.

Restricted Stock and Restricted Stock Units. The recipient of restricted stock and restricted stock units will not have taxable income upon grant, except that the recipient may elect, within 30 days of the award, to be taxed at the time of grant. Unless an election is made to be taxed as of the time of grant, the recipient of restricted stock and restricted stock units will have ordinary income at the time of vesting of the shares subject to the award. The Company will be entitled to a business expense deduction in the same amount, subject to federal income tax limitations on annual executive compensation deductions.

Recommendation and Vote Required

The Board of Directors has determined that the 2015 Plan is desirable, cost effective and produces incentives which will benefit the Bank and its shareholders. The Board of Directors is seeking shareholder approval of the 2015 Plan in accordance with its terms, in order to satisfy the requirements of the Internal Revenue Code for favorable tax treatment of incentive stock options, and to meet the requirements of Virginia law.

Approval of the 2015 Plan requires the favorable vote of a majority of the shares of common stock outstanding as of the Record Date. Members of the Board of Directors and executive officers of the Bank having the power to vote or direct the voting of 1,470,843 shares of common stock, or approximately 17.0% of the shares of common stock outstanding on the Record Date, have indicated their intention to vote **"FOR"** the approval of the 2015 Plan. **The Board of Directors recommends a vote "FOR" approval of the 2015 Plan.**

PROPOSAL 3 - AMENDMENT TO ARTICLES OF INCORPORATION TO INCREASE AUTHORIZED CAPITAL STOCK

At the meeting, the shareholders are being asked to approve an amendment to the Bank's Articles of Incorporation which would increase the number of authorized shares of capital stock from 12,000,000 to 22,000,000 by increasing the number of voting common stock ("common stock") from 10,000,000 shares to 20,000,000 shares. The Board of Directors is proposing the amendment to ensure that a sufficient amount of common stock is available for issuance in the future by the Bank, upon action of the Board of Directors. The Board of Directors believes that the proposed increase in the authorized common stock is in the best interests of the Bank and its shareholders, and unanimously recommends a vote **FOR** the proposed amendment.

The Amendment. The Board of Directors has approved, subject to shareholder approval, the amendment of the Article III of the Articles of Incorporation to read in its entirety as follows:

ARTICLE III. *Capital Stock.* The number of shares of stock of all classes which the Corporation shall have authority to issue shall be twenty two million (22,000,000), twenty million (20,000,000) of which shall be voting Common Stock, par value \$5.00 per share, one million (1,000,000) of which shall be nonvoting Common Stock, par value \$5.00 per share, and one million (1,000,000) of which shall be preferred stock, par value \$5.00 per share. Each share of voting common stock shall have one vote per share in respect of all matters submitted to the vote of shareholders, including the election of directors. Except as may be expressly required by the laws of general applicability of the Commonwealth of Virginia the holders of the nonvoting common stock shall not be entitled to vote on any matter submitted for the vote of shareholders, including but not limited to the election of directors. Except as expressly set forth herein with respect to voting, the shares of common stock which the Corporation shall have authority to issue shall be identical, and shall have equal rights and privileges. The Board of Directors, by action of a majority of the full Board of Directors, shall have the authority to issue the shares of preferred stock from time to time on such terms as it may determine, and to divide the preferred stock into one or more classes or series, and, in connection with the creation of such classes or series to fix by resolution or resolutions the designations, voting powers, preferences, participation, redemption, sinking fund, conversion, dividend, and other optional or special rights of such classes or series, and the qualifications, limitations or restrictions thereof.

Purpose of Amendment. The Articles of Incorporation currently authorize the issuance of up to 12,000,000 shares of capital stock, 10,000,000 of which are voting common stock, 1,000,000 of which are nonvoting common stock, and 1,000,000 of which are undesignated preferred stock. As of the Record Date for the meeting, the had 8,316,211 shares of voting common stock outstanding, and 1,201,000 shares of common stock reserved for issuance to directors, officers and employees under the 2006 Plan. This leaves only 482,789 authorized, unissued and unreserved shares of common stock available for issuance in capital raising transactions, as stock dividends, stock splits, for additional option plan grants or for other corporate purposes.

While the Bank has no current plans to issue any shares of capital stock other than pursuant to the 2006 Plan and if approved at the meeting, the 2015 Plan, the Bank may decide to issue common stock in connection with, among other things, capital raising, corporate acquisitions and other transactions, stock splits, stock dividends, and existing and future benefit plans. The currently available number of shares of common stock may not be sufficient to enable the Bank to promptly respond to its capital or transactional needs. A delay in a transaction necessary to obtain shareholder approval, and the risk of not obtaining shareholder approval, could be detrimental to the Bank and its shareholders in pursuing attractive opportunities, or responding to market conditions.

Therefore, the Board is proposing an amendment of the Articles of Incorporation to increase the authorized capital stock from 12,000,000 to 22,000,000 shares, which would increase the authorized, unreserved, common stock available for issuance from 482,789 to 10,482,789 shares.

Authorized, unissued and unreserved capital stock may be issued from time to time for any proper purpose without further action of the shareholders, except as required by the Articles of Incorporation and applicable law. Each share of common stock authorized for issuance has the same rights as, and is identical in all respects to, each other share of common stock. The newly authorized shares of common stock will not affect the rights, such as voting and liquidation rights, of the shares of common stock currently outstanding. Shareholders will not have preemptive rights to purchase any subsequently issued shares of capital stock.

The ability of the Board of Directors to issue additional shares of capital stock without additional shareholder approval may be deemed to have an anti-takeover effect, since unissued and unreserved shares of capital stock could be issued by the Board of Directors in circumstances that may have the effect of deterring takeover bids. The Board of Directors does not intend to issue any additional shares of capital stock except on terms which it deems in the best interests of the Bank and its shareholders.

Vote Required and Recommendation of the Board of Directors. Approval of the proposed amendment to the Articles of Incorporation requires the favorable vote of more than two-thirds of the outstanding stock entitled to vote. Members of the Board of Directors and executive officers of the Bank having the power to vote or direct the voting of 1,410,843 shares of common stock, or approximately 17.0% of the shares of common stock outstanding on the Record Date, have indicated their intention to vote “FOR” the proposed amendment. **The Board of Directors unanimously recommends that shareholders vote “FOR” approval of the proposed amendment.**

**PROPOSAL 4 - RATIFICATION OF THE APPOINTMENT OF THE
INDEPENDENT PUBLIC ACCOUNTING FIRM**

The Board of Directors has selected the independent public accounting firm of Yount, Hyde & Barbour, P.C. ("YHB") to audit the accounts of the Bank for the fiscal year ended December 31, 2015. YHB has audited the Bank's financial statements since the year ended December 31, 2008. Representatives of YHB are expected to be present at the meeting and available to respond to appropriate questions. The representatives also will be provided with an opportunity to make a statement, if they desire.

The Board of Directors recommends that shareholders vote FOR the ratification of the appointment of YHB as the Company's independent public accounting firm. Members of the Board of Directors and executive officers of the Bank having the power to vote or direct the voting of 1,410,843 shares of common stock, or approximately 17.0% of the shares of common stock outstanding on the Record Date, have indicated their intention to vote **"FOR"** ratification of the appointment of accountants. The affirmative vote of a majority of votes validly cast on the proposal is required for adoption of the ratification of the appointment of the independent public accounting firm.

SHAREHOLDER PROPOSALS

The Bank must receive written notice of intent to make a nomination to be voted upon at the next annual meeting, or of any other shareholder proposal, no later than December 13, 2015.

OTHER MATTERS

The Board of Directors of the Bank is not aware of any other matters to be presented for action by shareholders at the meeting. If, however, any other matters not now known are properly brought before the meeting or any adjournment thereof, the persons named in the accompanying proxy will vote such proxy in accordance with their judgment on such matters.

By Order of the Board of Directors

A handwritten signature in black ink, appearing to read 'John Maxwell', written in a cursive style.

John Maxwell
Chairman and Chief Executive Officer

March 13, 2015

**JOHN MARSHALL BANK
2015 STOCK INCENTIVE PLAN**

1. Purpose of the Plan. The purpose of this John Marshall Bank 2015 Stock Incentive Plan (the “Plan”) is to advance the interests of the Bank by providing directors and selected key employees of the Bank and its Affiliates with the opportunity to acquire Shares. By encouraging stock ownership, the Bank seeks to attract, retain and motivate the best available personnel for positions of substantial responsibility; to provide additional incentive to directors and key employees of the Bank and its Affiliates to promote the success of the business as measured by the value of its Shares; and generally to increase the commonality of interests among directors, key employees, and other shareholders.

Upon approval of this Plan by shareholders of the Bank, the Plan shall replace the Bank’s 2006 Stock Option Plan (the “2006 Plan”), which shall be terminated as of that time. Following such termination, Options granted under the 2006 Plan shall continue in effect, and shall be subject to the provisions of the 2006 Plan, but no new options may be granted under the 2006 Plan.

2. Definitions. In this Plan:

(a) “Affiliate” means any “parent corporation” or “subsidiary corporation” of the Bank as such terms are defined in Section 424(e) and (f), respectively, of the Code.

(b) “Agreement” means a written agreement entered into in accordance with Section 5(c).

(c) “Awards” means, collectively Options, Restricted Stock and Restricted Stock Units, unless the context clearly indicates a different meaning.

(d) “Bank” means John Marshall Bank.

(e) “Board” means the Board of Directors of the Bank.

(f) “Change in Control” means any one of the following events occurring after the Effective Date: (1) except as provided in Section 10(c), any consolidation, merger, share exchange, or similar transaction relating to the Bank, or pursuant to which shares of the Bank’s capital stock are converted into cash, securities of another entity and/or other property, other than a transaction in which the holders of the Bank’s voting stock immediately before such transaction shall, upon consummation of such transaction, own at least fifty percent (50%) of the voting power of the surviving entity, (2) any sale of all or substantially all of the assets of the Bank, other than a transfer of assets to a related person which is not treated as a change in control event under §1.409A-3(i)(5)(vii)(B) of the US Treasury Regulations, (3) the exercise of a controlling influence over the management or policies of the Bank by any person or by persons acting as a “group” (within the meaning of Section 13(d) of the Securities Exchange Act of 1934), or (4) where over a twelve month period, a majority of the members of the Board are replaced by directors whose appointment or election was not endorsed by a majority of the members of the Board in office prior to such appointment or election. For purposes of this subsection only, the term “person” refers to an individual or a corporation, partnership, trust, association, joint venture, pool, syndicate, sole proprietorship, unincorporated organization or any other form of entity not specifically listed herein. The decision of the Committee as to whether a Change in Control has occurred shall be conclusive and binding. A Change in Control does not include acquisition of ownership or control of voting securities of the Bank by an employee benefit plan sponsored by the Bank or; acquisition of voting securities by the Bank through share repurchase or otherwise; or acquisition by an exchange of voting securities with a successor to the Bank in a reorganization, such as a reincorporation, that does not have the purpose or effect of significantly changing voting power or control. The decision of the Committee as to whether a change in control has occurred is conclusive and binding, subject to the terms of the Plan.

(g) “Code” means the Internal Revenue Code of 1986, as amended to date or hereafter.

(h) “Committee” means the Committee appointed by the Board in accordance with Section 5(a) hereof.

(i) “Common Stock” means the common stock, par value \$5.00 per share, of the Bank.

(j) “Continuous Service” means the absence of any interruption or termination of service as an Employee or Director of the Bank or an Affiliate. Continuous Service shall not be considered interrupted in the case of sick leave, military leave or any other leave of absence approved by the Bank or in the case of transfers between payroll locations of the Bank or between the Bank, an Affiliate or a successor.

(k) “Director” means a member of the Board.

(l) “Effective Date” means the date specified in Section 14 hereof.

(m) “Employee” means any person employed by the Bank or by an Affiliate.

- (n) “Exercise Price” means the price per Optioned Share at which an Option may be exercised.
- (o) “Independent Director” means an independent director as defined for purposes other than audit committee service, but considering the additional factors required for determining the independence of compensation committee members, in the listing standards and regulations of The NASDAQ Stock Market, or if the Bank’s Common Stock is primarily traded on a national securities exchange other than The NASDAQ Stock Market (including any level or submarket thereof), then the listing standards and regulations of such other national securities exchange. Not in limitation of the foregoing, all Independent Directors must be Non-Employee Directors.
- (p) “ISO” means an option to purchase Common Stock that meets the requirements set forth in the Plan, and which is intended to be and is identified as an “incentive stock option” within the meaning of Section 422 of the Code.
- (q) “Just Cause” has the meaning set forth for “cause,” “just cause” or similar phrase, in any unexpired employment or severance agreement between the Participant and the Bank and/or any Affiliate, or, in the absence of any such agreement, means termination because of (in the Board’s sole discretion) the Participant’s personal dishonesty, moral turpitude, incompetence, willful misconduct, breach of fiduciary duty involving personal profit, intentional failure to perform stated duties, willful violation of any law, rule or regulation (other than misdemeanor traffic violations or similar offenses) or final cease-and-desist order.
- (r) “Market Value” means the fair market value of the Common Stock, as determined under Section 7(b) hereof.
- (s) “Non-Employee Director” means any member of the Board who, at the time discretion under the Plan is exercised, is a “Non-Employee Director” within the meaning of Rule 16b-3.
- (t) “Non-ISO” means an option to purchase Common Stock that meets the requirements set forth in the Plan but which is not intended to be, and is not identified as, an ISO.
- (u) “Option” means an ISO or Non-ISO.
- (v) “Optioned Shares” means Shares subject to an Option or Award of Restricted Stock or Restricted Stock Units granted pursuant to this Plan.
- (w) “Outstanding Shares” means the total shares of Common Stock which have been issued and which (a) are not held as treasury shares, and (b) have not been cancelled or retired by the Bank.
- (x) “Participant” means any person who receives an Award pursuant to the Plan.
- (y) “Performance Based Award” means an Award, the vesting, exercise or retention of which is subject to or based upon Performance Based Conditions.
- (z) “Performance Based Conditions” means the specific corporate, divisional, or individual performance or achievement standards or goals set forth in an Agreement.
- (aa) “Permanent and Total Disability” mean “permanent and total disability” as defined in Section 22(e)(3) of the Code.
- (bb) “Plan” means the John Marshall Bank 2015 Stock Incentive Plan.
- (cc) “Restricted Stock” means Common Stock that is subject to forfeiture, restrictions against transfer, specific Performance Based Conditions, or other conditions or restrictions set forth in an Agreement.
- (dd) “Restricted Stock Unit” means an Award of the right to receive Shares of Common Stock, the grant, issuance or vesting of which is subject to such conditions or restrictions, as set forth in an Agreement.
- (ee) “Rule 16b-3” means Rule 16b-3 of the General Rules and Regulations under the Securities Exchange Act of 1934, as amended.
- (ff) “Share” means one share of Common Stock.
- (gg) “Transaction” means: (i) the liquidation or dissolution of the Bank; (ii) a merger, consolidation, share exchange or similar transaction in which the Bank is not the surviving entity; or (iii) the sale or disposition of all or substantially all of the Bank’s assets.

3. Term of the Plan and Options.

- (a) *Term of the Plan.* The Plan shall continue in effect for a term of ten years from the Effective Date unless sooner terminated pursuant to Section 17. No Award may be granted under the Plan after ten years from the Effective Date.

(b) *Term of Options.* The Committee shall establish the term of each Option granted under the Plan. No Option may have a term that exceeds 10 years. No ISO granted to an Employee who owns Shares representing more than 10% of the outstanding shares of Common Stock at the time an ISO is granted may have a term that exceeds five years.

4. Shares Subject to the Plan. Except as otherwise required by the provisions of Section 11, the aggregate number of Shares that may be delivered upon the exercise or vesting of Awards shall be 384,141. Optioned Shares may either be authorized but unissued Shares or Shares held in treasury to the extent allowed by Virginia law. If Awards should expire, become unexercisable or be forfeited for any reason without having been exercised or become vested in full, the Optioned Shares shall be available for the grant of additional Awards under the Plan, unless the Plan shall have been terminated.

5. Administration of the Plan.

(a) *Composition of the Committee.* The Plan shall be administered by the Committee, which shall consist of not less than three (3) members of the Board who are Non-employee Directors. In the absence at any time of a duly appointed Committee, the Plan shall be administered by the Non-Employee Directors serving on the Board's Human Resources Committee. Members of the Committee shall serve at the pleasure of the Board. Notwithstanding the foregoing, at any time when any class of security of Bank is traded on any national securities exchange or on the automated inter-dealer quotation system of national securities association, or the Bank is otherwise subject to listing requirements comparable to those provided in Rule 10A-3 under the Securities Exchange Act of 1934, then: (i) all members of the Committee shall be Independent Directors; and (ii) In the absence at any time of a duly appointed Committee, the Plan shall be administered by the members of the Board who are Independent Directors. The members of the Committee shall serve at the pleasure of the Board.

(b) *Powers of the Committee.* Except as limited by the express provisions of the Plan or by resolutions adopted by the Board, the Committee shall have sole and complete authority and discretion: (i) to select Participants and grant Awards; (ii) to determine the form and content of Awards to be issued in the form of Agreements under the Plan, including but not limited to Performance Based Conditions of Performance Based Awards, which need not be identical among Participants granted Awards at the same time; (iii) to interpret the Plan; (iv) to prescribe, amend and rescind rules and regulations relating to the Plan; and (v) to make other determinations necessary or advisable for the administration of the Plan. The Committee shall have and may exercise such other power and authority as may be delegated to it by the Board from time to time. A majority of the entire Committee shall constitute a quorum and the action of a majority of the members present at any meeting at which a quorum is present, or acts approved in writing by a majority of the Committee without a meeting, shall be deemed the action of the Committee.

(c) *Agreement.* Each Award shall be evidenced by a written agreement containing such provisions as may be approved by the Committee. Each such Agreement shall constitute a binding contract between the Bank and the Participant, and every Participant, upon acceptance of such Agreement, shall be bound by the terms and restrictions of the Plan and of such Agreement. The terms of each such Agreement shall be in accordance with the Plan, but each Agreement may include such additional provisions and restrictions determined by the Committee, in its discretion, provided that such additional provisions and restrictions are not inconsistent with the terms of the Plan. In particular, the Committee shall set forth in each Agreement: (i) the Exercise Price of an Option; (ii) the number of Shares subject to, and the expiration date of, the Option; (iii) the Restriction Period of an Award of Restricted Stock or Restricted Stock Units; (iv) the amount, if any, payable for the receipt or vesting of Shares of Restricted Stock or Shares subject to Restricted Stock Units; (v) the manner, time and rate (cumulative or otherwise) of exercise or vesting of such Award; and (vi) the restrictions, if any, to be placed upon such Award, or upon Shares which may be issued upon exercise or vesting of such Award. The Chairman of the Committee and such other officers as shall be designated by the Committee are hereby authorized to execute Agreements on behalf of the Bank and to cause them to be delivered to the recipients of Awards.

(d) *Effect of the Committee's Decisions.* All decisions, determinations, and interpretations of the Committee shall be final and conclusive on all persons affected thereby. The Committee's determination whether a Participant's Continuous Service has ceased, the effective date thereof, and whether a Performance Based Condition shall have been met in the event of the death or Permanent and Total Disability shall be final and conclusive on all persons affected thereby.

(e) *Indemnification.* In addition to such other rights of indemnification as they may have, the members of the Committee shall be indemnified by the Bank in connection with any claim, action, suit or proceeding relating to any action taken or failure to act under or in connection with the Plan or any Award, granted hereunder, to the full extent provided for under the Bank's Articles of Incorporation or Bylaws with respect to the indemnification of Directors.

6. Grant of Options.

(a) *General Rule.* The Committee, in its sole discretion, may grant ISOs or Non-ISOs to Employees of the Bank or its Affiliates and may grant Non-ISOs to Bank Directors and directors of Affiliates

(b) *Special Rules for ISOs.* The aggregate Market Value, as of the date the Option is granted, of the Shares with respect to which ISOs are exercisable for the first time by an Employee during any calendar year (under all incentive stock option plans, as defined in Section 422 of the Code, of the Bank or any present or future “parent” or “subsidiary” of the Bank) shall not exceed \$100,000. Notwithstanding the prior provisions of this section, the Committee may grant Options in excess of the foregoing limitations, in which case such Options granted in excess of such limitation shall be Options which are Non-ISOs.

7. Exercise Price for Options.

(a) *Limits on Committee Discretion.* The Exercise Price as to any particular Option granted under the Plan shall not be less than the Market Value of the Optioned Shares on the date of grant. In the case of an Employee who owns Shares representing more than 10% of the Bank’s Outstanding Shares of Common Stock at the time an ISO is granted, the Exercise Price shall not be less than 110% of the Market Value of the Optioned Shares at the time the ISO is granted.

(b) *Standards for Determining Exercise Price.* If the Common Stock is listed on a national securities exchange (including The NASDAQ Stock Market) on the date in question, then the Market Value per Share shall be not less than the last reported selling price on such exchange on such date, or if there were no sales on such date, then the Exercise Price shall be not less than the mean between the closing bid and asked prices on such date. If the Common Stock is traded otherwise than on a national securities exchange on the date in question, then the Market Value per Share shall be not less than the mean between the closing bid and asked price on such date. If no such bid and asked price is available, then the Market Value per Share shall be its fair market value as determined by the Committee, in its sole and absolute discretion in a manner consistent with the rules prescribed under Section 422 of the Code. Notwithstanding the foregoing, the Bank shall not grant any Option having an exercise price less than 100% of the book value per share of the Common Stock as shown by the Bank’s most recent published statement prior to the grant of the Option. The foregoing sentence shall not apply to a holding company for the Bank as contemplated by Section 10(c) hereof.

8. Exercise of Options.

(a) *Generally.* Any Option shall be exercisable at such times and under such conditions as shall be permissible under the terms of the Plan and of the Agreement. An Option may not be exercised for a fractional Share. In the event that any adjustment of an Option pursuant to Section 11 or otherwise would result in an Optionee being entitled to exercise for a fractional Share, then upon such adjustment, the number of Shares which may be acquired upon exercise of such Option shall be rounded down to the next whole share, and the Optionee shall not be entitled to any payment, compensation or alternative Award in lieu thereof.

(b) *Procedure for Exercise.* A Participant may exercise Options, subject to provisions relative to its termination and limitations on its exercise, only by: (1) written notice of intent to exercise the Option with respect to a specified number of Shares; and (2) payment to the Bank (contemporaneously with delivery of such notice) in cash, of the amount of the Exercise Price for the number of Shares with respect to which the Option is then being exercised. Each such notice (and payment where required) shall be delivered, or mailed by prepaid registered or certified mail, addressed to the Treasurer of the Bank at the Bank’s executive offices. In connection with the exercise of Options, a Participant shall also deliver to the Bank, in accordance with the provisions of Section 19 hereof, an amount sufficient to satisfy all applicable federal, state and local income and employment tax withholding obligations.

(c) *Period of Exercisability-ISOs.* An ISO may be exercised by a Participant only while the Participant is an Employee and has maintained Continuous Service from the date of the grant of the ISO, or within three months after termination of such Continuous Service (but not later than the date on which the Option would otherwise expire), except if the Employee’s Continuous Service terminates by reason of –

- (1) Just Cause, in which case the Participant’s rights to exercise such ISO shall expire on the date of such termination;
- (2) death, in which case, to the extent that the Participant would have been entitled to exercise the ISO immediately prior to his death, such ISO of the deceased Participant may be exercised within two years from the date of his death (but not later than the date on which the Option would otherwise expire) by the personal representatives of his estate or person or persons to whom his rights under such ISO shall have passed by will or by laws of descent and distribution;
- (3) Permanent and Total Disability, in which case, to the extent that the Participant would have been entitled to exercise the ISO immediately prior to his termination of service as a result of Permanent and Total Disability, such ISO may be exercised within one year from the date of such termination of service as a result of Permanent and Total Disability, but not later than the date on which the ISO would otherwise expire.

(d) *Period of Exercisability-Non-ISOs.* A Non-ISO may be exercised by a Participant only while the Participant is an Employee or Director and has maintained Continuous Service from the date of the grant of the Non-ISO, or within three months after termination of such Continuous Service in the case of an Employee who is not a Director, or one year after termination of Continuous Service in the case of a Director (and in any case not later than the date on which the Option would otherwise expire), except if the Continuous Service terminates by reason of –

- (i) Just Cause, in which case the Participant's rights to exercise such Non-ISO shall expire on the date of such termination;
- (ii) death, in which case, to the extent that the Participant would have been entitled to exercise the Non-ISO immediately prior to his death, such Non-ISO of the deceased Participant may be exercised during the normal term of the Option by the personal representatives of his estate or person or persons to whom his rights under such Non-ISO shall have passed by will or by laws of descent and distribution;
- (iii) Permanent and Total Disability, in which case, to the extent that the Participant would have been entitled to exercise the Non-ISO immediately prior to his termination of service as a result of Permanent and Total Disability, such Non-ISO may be exercised during the normal term of the Option.

(e) *Exercisability at Death or Permanent and Total Disability.* Notwithstanding the provisions of any Option that provides for its exercise in installments as designated by the Committee, such Option shall become immediately exercisable upon the Participant's death or termination of service as a result of Permanent and Total Disability.

9. Restricted Stock and Restricted Stock Units.

The Committee, in its sole discretion, may grant Awards of Restricted Stock or Restricted Stock Units to Directors or Employees of the Bank or an Affiliate. Any Share of Restricted Stock or Restricted Stock Unit which is the subject of an Award shall be subject to the following terms and conditions, and otherwise to such other terms and conditions as are either applicable generally to Awards, or prescribed by the Committee in the applicable Agreement.

(a) *Restriction Period.* At the time of each Award of Restricted Stock or a Restricted Stock Unit, there shall be established a restriction period (the "Restriction Period"). Such Restriction Period may differ among Participants and may have different expiration dates with respect to portions of the Shares covered by the same Award. In no event: (i) may the Performance Based Condition measurement date for a Performance Based Award be less than one year from the date of grant; or (ii) may the Restriction Period for any other Award of Restricted Stock or Restricted Stock Unit be less than three years, provided that restrictions may terminate ratably over the vesting period.

(b) *Vesting Restrictions.* The Committee shall determine the conditions and restrictions applicable to the Award, including, but not limited to, requirements of Continuous Service for a specified term, or, for Performance Based Awards of Restricted Stock or Restricted Stock Units, the attainment of Performance Based Conditions, which condition and restrictions may differ with respect to each Participant granted an Award at the same time. The Agreement shall provide for forfeiture of Shares covered thereby if the specified conditions and restrictions are not met during the Restriction Period. Awards of Restricted Stock may provide for the issue of Shares upon grant, subject to forfeiture if the specified conditions and restrictions are not met. Restricted Stock Units shall provide for the issuance of Shares only upon the achievement of the conditions and restrictions at the end of the Restriction Period or upon the achievement of the Performance Based Conditions, subject to earlier vesting as provided herein.

(c) *Vesting upon Death or Permanent and Total Disability.* The Committee shall set forth in the Agreement the percentage of an Award, if any, which shall vest in the Participant in the event of death, or Permanent and Total Disability prior to the expiration of the Restriction Period or the satisfaction of the conditions and restrictions applicable to an Award.

(d) *Acceleration of Vesting.* Notwithstanding the Restriction Period and the conditions or restrictions imposed on an Award of Restricted Stock or Restricted Stock Units, as set forth in any Agreement, the Committee may shorten the Restriction Period or waive any conditions or restrictions, if the Committee concludes that it is in the best interests of the Bank to do so, provided that any such actions not done in connection with a Change in Control or the death, Permanent and Total Disability, or termination of employment of a Participant shall not be effective unless specifically approved or ratified by the affirmative votes of the holders of a majority of the Common Stock present or represented and entitled to vote at a meeting duly held on date no later than the next annual meeting of shareholders.

(e) *Ownership; Voting.* Where stock certificates are issued in respect of Awards of Restricted Stock, which are subject to forfeiture if the conditions or restrictions are not satisfied, such certificates shall be registered in the name of the Participant, whereupon the Participant shall become a shareholder of the Bank with respect to such Restricted Stock and

shall, to the extent not inconsistent with express provisions of the Plan, have all the rights of a shareholder, including but not limited to the right to vote and to receive all dividends paid on such Shares, and the certificates shall be deposited with the Bank or its designee, together with a stock power endorsed in blank, and the following legend shall be placed upon such certificates reflecting that the shares represented thereby are subject to restrictions against transfer and forfeiture:

“The transferability of this certificate and the shares of stock represented thereby are subject to the terms and conditions (including forfeiture) contained in the John Marshall Bank 2015 Stock Incentive Plan, and an agreement entered into between the registered owner and John Marshall Bank. Copies of such Plan and Agreement are on file in the offices of the Secretary of John Marshall Bank.”

Where an Award of Restricted Stock Units is subject to issuance upon the achievement of Performance Based Award standards or goals or other conditions, no certificates shall be issued until satisfaction of such conditions.

(f) *Lapse of Restrictions.* At the expiration of the Restriction Period applicable to the Restricted Stock, or upon the satisfaction of conditions to receipt of the Shares subject to Restricted Stock Units, as applicable, the Bank shall deliver to the Participant, or the legal representative of the Participant’s estate, or if the personal representative of the Participant’s estate shall have assigned the estate’s interest in the Restricted Stock or Restricted Stock Units, to the person or persons to whom his rights under such Restricted Stock or Restricted Stock Units shall have passed by assignment pursuant to his will or to the laws of descent and distribution, the stock certificates deposited with it or its designee, or if no such certificates have been issued and deposited stock certificates reflecting the Shares, as to which the Restriction Period has expired and the requirements of the restrictions have been met. If a legend has been placed on such certificates, the Bank shall cause such certificates to be reissued without the legend.

(g) *Forfeiture of Restricted Stock.* Any Shares of Restricted Stock which are not vested in the Participant or for which the restrictions have not been satisfied during the Restriction Period shall be forfeited and cancelled without compensation, and shall thereafter not be considered to be Outstanding Shares.

10. Conditions Upon Issuance of Shares.

(a) *Compliance with Securities Laws.* Shares of Common Stock shall not be issued with respect to any Award unless the issuance and delivery of such Shares shall comply with all relevant provisions of law, including, without limitation, the Securities Act of 1933, as amended, the rules and regulations promulgated thereunder, any applicable state securities law, and the requirements of any stock exchange upon which the Shares may then be listed. The Plan is intended to comply with Rule 16b-3, and any provision of the Plan that the Committee determines in its sole and absolute discretion to be inconsistent with said Rule shall, to the extent of such inconsistency, be inoperative and null and void, and shall not affect the validity of the remaining provisions of the Plan.

(b) *Special Circumstances.* The inability of the Bank to obtain approval from any regulatory body or authority deemed by the Bank’s counsel to be necessary to the lawful issuance and sale of any Shares hereunder shall relieve the Bank of any liability in respect of the non-issuance or sale of such Shares. As a condition to the grant or exercise of an Award, the Bank may require the Participant (or permitted successor) to make such representations and warranties as the Committee determines may be necessary to assure the availability of an exemption from the registration requirements of federal or state securities law.

(c) *Committee Discretion.* The Committee shall have the discretionary authority to impose in Agreements such restrictions on Shares as it may deem appropriate or desirable, including but not limited to the authority to impose a right of first refusal, to establish repurchase rights or both of these restrictions, or to provide for the mandatory exercise or forfeiture of any outstanding Options in the event that the Bank’s primary federal regulator directs the Bank to so require if the Bank does not meet minimum regulatory capital requirements.

(d) *Construction; Compliance with 409A, Delay in Payment.* It is intended and anticipated that this Plan and Awards hereunder shall not be subject to, or shall be in accordance with, 409A of the Code and the regulations and administrative guidance promulgated thereunder (“Section 409A”), and thus avoid the imposition of any excise tax and interest on Participants pursuant to Section 409A(a)(1)(B) of the Code, as a result of the grant, award, exercise, vesting or lapse of restrictions of any Award, and this Plan shall be interpreted and construed consistent with this intent. Notwithstanding anything to the contrary contained herein, any Award or vesting, issuance or payment of an Award hereunder or any Agreement that is considered “nonqualified deferred compensation” that is to be made to a Participant while such Participant is a “specified employee,” in each case as defined and determined for purposes of Section 409A, within six months following such Participant’s “separation from service” (as determined in accordance with Section 409A), then to the extent that such Award, vesting, issuance or payment of an Award is not otherwise permitted under Section 409A such that it would be exempt from the excise tax thereunder, such Award, vesting, issuance or payment of an Award shall be delayed and shall be effected on the first business day of the seventh calendar month following the Participant’s separation from service, or, if earlier upon Participant’s death. Notwithstanding anything to the contrary

contained herein, the Bank shall have no liability whatsoever to any Participant or any other person in the event that any Award vesting, issuance or payment of an Award is determined to be subject to, and is not in compliance with, Section 409A.

11. Effect of Changes in Control and Changes in Common Stock Subject to the Plan.

(a) Effects of Change in Control.

- (1) Notwithstanding the provisions of any Award that provides for its exercise or vesting in installments, all Awards shall be immediately exercisable and fully vested upon a Change in Control.
- (2) At the time of a Change in Control which does not constitute a Transaction, any or all outstanding Options may, in the discretion of the Board and without the individual consent of a Participant, be cancelled, in exchange for which cancellation the Participant shall receive a cash payment in an amount equal to the excess of the Market Value at the time of the Change in Control of the Shares subject to such Option over the Exercise Price of such Options, provided that in no event may an Option be cancelled in exchange for cash within the six-month period following the date of its grant.
- (3) In the event there is a Transaction, all outstanding Awards shall be surrendered. With respect to each Award so surrendered, the Board of Directors shall in its sole and absolute discretion determine whether the holder of each Award so surrendered shall receive—
 - (A) for each Share then subject to an outstanding Award, an Award for the number and kind of shares (or amount of cash or other property, or combination thereof) into which each Outstanding Share (other than Shares held by dissenting shareholders) is changed or exchanged, together with an appropriate adjustment to the Exercise Price in the case of an Option, or other amount, if any, payable in the event of an Award of Restricted Stock or Shares subject to a Restricted Stock Unit; or
 - (B) the number and kind of shares (or amount cash or other property, or combination thereof) into which each Outstanding Share (other than Shares held by dissenting shareholders) is changed or exchanged in the Transaction that are equal in market value to the excess of the Market Value on the date of the Transaction of the Shares subject to the Award, over the Exercise Price of the Option, or other amount, if any, payable in the event of an Award of Restricted Stock or Shares subject to a Restricted Stock Unit; or
 - (C) a cash payment (from the Bank or the successor corporation), in an amount equal to the excess of the Market Value on the date of the Transaction of the Shares subject to the Award, over the Exercise Price of the Option, or other amount, if any, payable in the event of an Award of Restricted Stock or Shares subject to a Restricted Stock Unit.

(b) Recapitalizations; Stock Splits, Etc. The number and kind of shares reserved for issuance under the Plan, and the number and kind of shares subject to outstanding Awards and the Exercise Price of Options or the amount, if any, payable in respect of an Award of Shares of Restricted Stock or Restricted Stock Units, shall be proportionately adjusted for any increase, decrease, change or exchange of Shares for a different number or kind of shares or other securities of the Bank which results from a merger, consolidation, recapitalization, reorganization, reclassification, stock dividend, split-up, combination of shares, or similar event in which the number or kind of shares is changed without the receipt or payment of consideration by the Bank. In the event that any such adjustment would result in a Participant being entitled to exercise for or receive a fractional Share, then upon such adjustment, the number of Shares which may be acquired upon exercise or vesting of such Award shall be rounded down to the next whole share, and such fraction cancelled, and the Participant shall not be entitled to any payment, compensation or alternative award in lieu thereof.

(c) Holding Company Formation. Notwithstanding anything to the contrary contained herein, in the event that the Bank converts into the holding company form of ownership, by means of a merger, share exchange or other transaction, immediately following the consummation of which the holders of Common Stock immediately preceding the consummation of such transaction, hold the same percentage ownership interest in such holding company as they held in the Bank, subject only to adjustments necessary to reflect the elimination of Common Stock interests held by holders of Common Stock exercising their rights as objecting or dissenting shareholders, and/or the elimination of fractional share interests resulting from the use of an exchange ratio other than one share of holding company common stock for each share of Bank common stock, then such transaction shall not constitute a Change in Control or Transaction. Following consummation of such transaction, said holding company shall be deemed to have assumed this Plan and the Awards outstanding hereunder as successor to the Bank, and except as provided in Section 7(b) hereof, each reference to the Bank herein shall be read to refer

to said holding company, and each reference to the Common Stock shall be read to refer to the common stock of said holding company.

(d) *Special Rule for ISOs.* Any adjustment made pursuant to subsections (a)(3)(A) or (b) of this section shall be made in such a manner as not to constitute a modification, within the meaning of Section 424(h) of the Code, of outstanding ISOs.

(e) *Conditions and Restrictions on New, Additional, or Different Shares or Securities.* If, by reason of any adjustment made pursuant to this Section, a Participant becomes entitled to new, additional, or different shares of stock or securities, such new, additional, or different shares of stock or securities shall thereupon be subject to all of the conditions and restrictions which were applicable to the Shares issued pursuant to the Award before the adjustment was made.

(f) *Other Issuances.* Except as expressly provided in this Section, the issuance by the Bank or an Affiliate of shares of stock of any class, or of securities convertible into Shares or stock of another class, for cash or property or for labor or services either upon direct sale or upon the exercise of rights or warrants to subscribe therefor, shall not affect, and no adjustment shall be made with respect to, the number, class, Exercise Price, in the case of Options, or other amount, if any, payable in the case of an Award of Restricted Stock or Shares subject to a Restricted Stock Unit, then subject to Awards or reserved for issuance under the Plan.

12. Non-Transferability of Awards.

(a) ISOs, and prior to their vesting, Restricted Stock and Restricted Stock Units, may not be sold, pledged, assigned, hypothecated, transferred or disposed of in any manner other than by will or by the laws of descent and distribution.

(b) Non-ISO's may not be sold, pledged, assigned, hypothecated, transferred or disposed of in any manner other than by will or by the laws of descent and distribution, pursuant to the terms of a "qualified domestic relations order" (within the meaning of Section 414(p) of the Code and the regulations and rulings thereunder), or, in the sole discretion of the Committee, in connection with a transfer for estate or retirement planning purposes to a trust established for such purposes.

13. Time of Granting Awards. The date of grant of an Award shall, for all purposes, be the later of the date on which the Committee makes the determination of granting such Award and the Effective Date. Notice of the determination shall be given to each Participant to whom an Award is so granted within a reasonably prompt period after the date of such grant.

14. Effective Date. The Plan shall be effective as of the date on which the Plan is approved by the shareholders of the Bank.

15. Approval by Stockholders. The Plan shall be approved by shareholders of the Bank within twelve (12) months of the date on which this Plan is approved by the Board.

16. Modification of Awards. At any time, and from time to time, the Board may authorize the Committee to direct execution of an instrument providing for the modification of any outstanding Award, provided no such modification shall confer on the holder of said Award any right or benefit which could not be conferred on him by the grant of a new Award at such time, or impair the Award without the consent of the holder of the Award. Regardless of any other provision of this Plan or an Agreement, neither the Board or the Committee may reprice (as defined under rules of the New York Stock Exchange or The NASDAQ Stock Market) any Award unless the repricing is approved in advance by the shareholders of the Bank.

17. Amendment and Termination of the Plan. The Board may from time to time amend the terms of the Plan and, with respect to any Shares at the time not subject to Awards, suspend or terminate the Plan; provided that shareholder approval shall be required to increase the number of Shares subject to the Plan provided in Section 4 or to extend the term of the Plan, or to make any other change which may be required under the listing requirements of any national securities exchange upon which the Bank's common stock is listed. No amendment, suspension, or termination of the Plan shall, without the consent of any affected holders of an Award, alter or impair any rights or obligations under any Award theretofore granted.

18. Reservation of Shares. The Bank, during the term of the Plan, will reserve and keep available a number of Shares sufficient to satisfy the requirements of the Plan.

19. Withholding Tax. The Bank's obligation to deliver Shares upon exercise or vesting of Awards (or such earlier time that the Participant makes an election under Section 83(b) of the Code) shall be subject to the Participant's satisfaction of all applicable federal, state and local income and employment tax withholding obligations. The Committee, in its discretion, may permit the Participant to satisfy the obligation, in whole or in part, by irrevocably electing to have the Bank withhold Shares, or to deliver to the Bank Shares that he already owns, having a value equal to the amount required to be withheld. The value of Shares to be withheld, or delivered to the Bank, shall be based on the Market Value of the Shares on the date the

amount of tax to be withheld is to be determined. As an alternative, the Bank may retain, or sell without notice, a number of such Shares sufficient to cover the amount required to be withheld.

20. No Employment or Other Rights. In no event shall a Director's or Employee's eligibility to participate or participation in the Plan create or be deemed to create any legal or equitable right of the Director or Employee or any other party to continue service with the Bank or any Affiliate of such corporations. No Director or Employee shall have a right to be granted an Award or, having received an Award, the right to be granted an additional Award.

21. Governing Law. The Plan shall be governed by and construed in accordance with the laws of the Commonwealth of Virginia, except to the extent that federal law shall be deemed to apply.