

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM
WASHINGTON, D.C. 20551

SCHEDULE 14A INFORMATION

Proxy Statement Pursuant to Section 14(a) of the Securities
Exchange Act of 1934 (Amendment No.)

Filed by the Registrant

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Check the appropriate box:

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| <input type="checkbox"/> | Preliminary Proxy Statement | Confidential, for Use of the
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John Marshall Bank
(Name of Registrant as Specified in its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box): No fee required.

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1. Title of each class of securities to which transaction applies:

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1. Amount Previously Paid:

2. Form, Schedule or Registration Statement No.:

3. Filing Party:

4. Date Filed:



**6601 Little River Turnpike
Suite 110
ALEXANDRIA, VA 22312
703-584-0840**

April 9, 2010

Dear Shareholders:

On behalf of the Board of Directors and management of John Marshall Bank, we cordially invite you to attend the 2010 Annual Meeting of Shareholders. The meeting will be held at 10:00 a.m. local time, on Tuesday, May 11, 2010 at the Fairview Park Marriott, 3111 Fairview Park Drive, Falls Church, Virginia.

The matters expected to be acted upon at the meeting are described in the attached proxy statement. In addition, we have enclosed a copy of our 2009 Annual Report on Form 10-K and a letter to shareholders which describes the significant progress John Marshall made in 2009.

You are encouraged to attend this meeting in person. Whether or not you plan to attend, please read the enclosed proxy statement and then complete, sign and date the enclosed proxy, and return it in the enclosed postage paid return envelope as soon as possible.

Your Board of Directors and management are committed to the success of John Marshall Bank, and we look forward to sharing our progress and plans for the Bank with you.

Sincerely,

_____/s/
John R. Maxwell
Chairman and Chief Executive Officer



6601 LITTLE RIVER TURNPIKE
SUITE 110
ALEXANDRIA, VIRGINIA 22312
703-584-0840

**NOTICE OF ANNUAL MEETING OF SHAREHOLDERS
To be held May 11, 2010**

TO THE SHAREHOLDERS OF JOHN MARSHALL BANK:

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

Fairview Park Marriott
3111 Fairview Park Drive
Falls Church, VA 22042

on Tuesday, May 11, 2010, at 10:00 a.m. for the following purposes:

1. To elect eleven (11) directors to serve until the 2011 Annual Meeting of Shareholders and until their successors are duly elected and qualified;
2. To ratify the appointment of Yount, Hyde & Barbour, P.C. as the Company's independent registered public accountants for the year ended December 31, 2010; and
3. 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 March 31, 2010 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

_____/s/_____
John R. Maxwell
Chairman and Chief Executive Officer

April 9, 2010

Please sign, date and return your proxy promptly, whether or not you plan to attend the meeting in person. No postage is required if mailed in the United States in the enclosed envelope. 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.



**6601 LITTLE RIVER TURNPIKE
SUITE 110
ALEXANDRIA, VIRGINIA 22312**

**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 May 11, 2010 and at any adjournment or postponement of the meeting. The purposes of the meeting are:

1. electing eleven (11) directors to serve until the 2010 Annual Meeting of Shareholders and until their successors are duly elected and qualified;
2. ratifying the appointment of Yount, Hyde & Barbour, P.C. as the Company’s independent registered public accountants for the year ended December 31, 2010; and
2. 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:

Fairview Park Marriott
3111 Fairview Park Drive
Falls Church, VA 22042

This proxy statement and proxy card are being sent to shareholders of the Bank on or about April 9, 2010. A copy of the Bank’s 2009 Annual Report on Form 10-K also accompanies this proxy statement.

VOTING RIGHTS AND PROXIES

Voting Rights

Only shareholders of record at the close of business on March 31, 2010 (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 3,707,710 shares of voting common stock, par value \$5.00 per share (the “common stock”) outstanding, held by approximately 780 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 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, 2010. 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 he or she 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. However, as a result of changes in the rules of the New York Stock Exchange applicable to its member brokerage firms, we expect that brokers will not vote shares on the election of directors 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.**

Please sign, date, mark and return promptly the enclosed proxy in the postage paid envelope provided for this purpose in order to assure that your shares are voted. 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 Marisa Martineau, at 6601 Little River Turnpike, Suite 110, Alexandria, Virginia 22312 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 additional documentation from your recordholder 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.

Many 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. Shareholders submitting proxies or voting instructions electronically should understand that there may be costs associated with electronic access, such as usage charges from internet access providers and telephone companies, which would be borne by the shareholder. To revoke a proxy previously submitted electronically, a shareholder may simply submit a new proxy at a later date before the taking of the vote at the meeting, in which case, 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 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.

Important Notice Regarding the Availability of Proxy Materials for the Shareholder Meeting to be Held on May 11, 2010. This Proxy Statement and our Annual Report to Shareholders for the year ended December 31, 2009 is also available online at www.johnmarshallbank.com/InvestorRelations/.

VOTING SECURITIES AND PRINCIPAL HOLDERS

Securities Ownership of Directors and Executive Officers

The following table sets forth certain information as of the Record Date concerning the number and percentage of shares of the Bank's common stock beneficially owned by its directors, executive officers who are not directors the compensation of whom is disclosed in this proxy statement (the "named executive officers"), and by its directors and all executive officers as a group, as well as information regarding each other person known by the Bank to own in excess of 5% of the outstanding common stock as of the Record date. Except as otherwise indicated, all shares are owned directly, and the named person possesses sole voting and sole investment power with respect to all such shares. The Bank knows of no person or persons who beneficially own in excess of 5% of the common stock. Further, the Bank is not aware of any arrangement, which at a subsequent date may result in a change of control of the Bank.

Name	Position	Number of Shares ⁽¹⁾	Percentage ⁽¹⁾
<i>Directors</i>			
Philip W. Allin	Director	47,014 ⁽²⁾	1.26%
Philip R. Chase	Director	28,065 ⁽³⁾	0.76%
Jean Edelman	Director	100,000	2.70%
Michael T. Foster	Director	50,000	1.35%
Subhash K. Garg	Director	51,000 ⁽⁴⁾	1.38%
Ronald J. Gordon	Director	33,952 ⁽⁵⁾	0.91%
Jonathan C. Kinney	Director, Secretary, and Vice Chairman	181,000 ⁽⁶⁾	4.88%
O. Leland Mahan	Director	20,000 ⁽⁷⁾	0.54%
John R. Maxwell	Chairman and Chief Executive Officer	100,000	2.70%
Lim P. Nguonly	Director	87,360 ⁽⁸⁾	2.36%
William Soza	Director	102,823 ⁽⁹⁾	2.76%
<i>Executive Officers who are not Directors</i>			
	Executive Vice President; Chief Operating Officer		
Carl E. Dodson		25,000 ⁽¹⁰⁾	0.67%
William J. Ridenour	President; Chief Administrative Officer	7,500	0.20%
All directors and executive officers of the Bank as a group (13 persons)		833,714 ⁽¹¹⁾	22.13%

- (1) Represents percentage of 3,707,710 shares issued and outstanding as of the Record Date, except with respect to individuals holding options exercisable within 60 days of said date, in which event, represents percentage of shares issued and outstanding plus the number of the number of shares with respect to which such person holds options exercisable within 60 days of the Record Date, and except with respect to all directors and executive officers of the Bank as a group, in which case represents percentage of shares issued and outstanding plus the number of shares with respect to which all such person hold options exercisable within 60 days of the Record Date.
- (2) Includes options to purchase 10,014 shares of common stock.
- (3) Includes options to purchase 8,065 shares of common stock.
- (4) Includes 27,500 shares owned by Mr. Garg's 401(k) Plan and 16,000 shares owned by a company controlled by Mr. Garg.
- (5) Includes options to purchase 8,952 shares of common stock.
- (6) Includes 131,000 shares owned by companies controlled by Mr. Kinney.
- (7) Includes 18,000 shares owned by Mr. Mahan's 401(k) Plan.
- (8) Includes 69,900 shares owned by companies controlled by Mr. Nguonly.
- (9) Includes 10,000 shares owned by Mr. Soza's spouse and includes options to purchase 17,823 shares of common stock.
- (10) Includes options to purchase 15,000 shares of common stock.
- (11) Includes options to purchase 59,854 shares of common stock held by Messrs. Allin, Chase, Gordon, Soza and Dodson.

PROPOSAL 1 – ELECTION OF DIRECTORS

Eleven (11) directors will be elected at the meeting for a one year period until the 2011 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. The Board of Directors has determined that each director other than Mr. Maxwell is an “independent director” as that term is defined in Rule 5605(a)(2) of The NASDAQ Stock Market (the “NASDAQ”). In making this determination, the Board of Directors was aware of and considered the loan and deposit relationships with directors and their related interests which the Bank enters into in the ordinary course of its business and the arrangements which are disclosed under “Certain Relationships and Related Transactions” in this proxy statement.

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 773,860 shares of common stock, or approximately 21% 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, 52, serves 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. 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. Office Outfitters sells office furniture and office supplies primarily focusing on the private sector, with a business-to-business account base. Mr. Allin is Chairman of the Board of the Fairfax County Water Authority and has previously served as Vice Chairman and Treasurer. He has been on the Fairfax Water Board of Directors since 1992. 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 nomination 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, 53, is owner and principal of Synergis LLC, a management and small business advisory firm which focuses on Strategic Planning and CFO support in the government contracting industry. From 2002 to 2006, he was a senior manager and Director of Stanley Associates, an information technology and professional services firm located in Arlington, Virginia. Prior to that, he was an owner, Vice President, and CFO of CCI, Incorporated, a professional services government contractor acquired by Stanley 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, 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. Mr. Chase’s nomination as a member of the Board of Directors is supported by his professional experience in the banking industry, and as principal of a local small business focusing on the government contracting industry, which is one of the Bank’s target markets.

Jean Edelman. Ms. Edelman, 51, was a co-founder and a principal of Edelman Financial Services, LLC, an investment advisory and financial planning firm, until its sale in 2005. She remains active with the firm in training and education functions. She is a member of the Board of Trustees of Rowan University, Glassboro, New Jersey (f/k/a Glassboro State), from which she graduated. She is a member of the Nursing Development Board for Inova Hospital. Ms. Edelman became a Director in June 2008. Ms. Edelman’s nomination as a member of the Board of Directors is

supported by her professional experience as co-founder and principal of a firm engaged in the investment advisory and financial planning industry.

Michael T. Foster, FAIA. Mr. Foster, 47, 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 is a regional leader in sustainable design and development for commercial, educational, institutional, and government clients. He is active in the community having served as Chair of the Arlington Planning Commission and Chairman, and currently serves on the Arlington Economic Development Commission. Mr. Foster remains active in numerous other professional, civic, and nonprofit organizations serving the region. Mr. Foster became a Director in June 2008. Mr. Foster's nomination as a member of the Board of Directors is supported by his professional experience as founder and principal of a local small business and his extensive civic contacts in the local business community.

Subhash K. Garg. Mr. Garg, 59, is a co-founder and managing member of Wiener & Garg LLC, a certified public accounting firm in Rockville, MD. Since June 1978, Mr. Garg has been a member of the American Institute of CPA's and the Virginia Society of CPA's. Mr. Garg is involved with several non-profit organizations in Washington DC metropolitan area which are helping to bring and expand Indian sub-continent culture in the community. Mr. Garg became a Director in June 2008. Mr. Garg's nomination as a member of the Board of Directors is supported by his professional experience as founder and principal of a local certified public accounting firm and his extensive contacts in the local business community.

Ronald J. Gordon. Mr. Gordon, 55, has been President of Telemundo Television Station Group since April 2009. He oversees the operation of all the Telemundo local stations located within the continental United States and Puerto Rico, and reports directly to the President of Telemundo Communications Group. Prior to Telemundo, Mr. Gordon was President and CEO of ZGS Communications, a Hispanic-owned Spanish-language broadcasting company with interests in television and radio stations. Founded in 1984 by Mr. Gordon, ZGS now owns and operates 10 Spanish-language television stations, representing the largest group of independent stations affiliated with the Telemundo television network. Mr. Gordon serves on the board of directors for the Independent Spanish Broadcasters Association and the Community Broadcasters Association. Mr. Gordon received a B.A. in International Relations with a minor in Economics from Syracuse University. Mr. Gordon's nomination as a member of the Board of Directors is supported by his professional experience as founder and principal of a local small business; overseeing the operation of a national television network; and, his extensive contacts in the local business community.

Jonathan C. Kinney. Mr. Kinney, 63, 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 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 became a Director in June 2008. Mr. Kinney's nomination as a member of the Board of Directors is supported by his legal education, his professional experience as principal of a local law firm, and his extensive contacts in the local business community.

O. Leland Mahan. Mr. Mahan, 71, has practiced law in Leesburg, Virginia, for over 40 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 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 Assistance 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 Virginia National Bank (Chairman 1980-1984), NationsBank and George Mason Bank advisory boards. Mr. Mahan became a Director in June 2008. Mr. Mahan's nomination as a member of the Board of Directors is supported by his legal education, his professional experience as principal of a local law firm, and his extensive contacts in the local business community.

John R. Maxwell. Mr. Maxwell, 49, 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 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. Please refer to “Certain Relationships and Related Transactions” below for additional information regarding the Stock Purchase Agreement. Mr. Maxwell’s nomination as a member of the Board of Directors is supported by his professional experience of over 28 years in banking, including his prior experience in organizing and leading James Monroe Bank as its President and Chief Executive Officer.

Lim P. Nguonly. Mr. Nguonly, 49, is a real estate investor in the Washington, D.C. area and owner of Princess Jewelers, a regional jewelry store chain. Mr. Nguonly became a Director in June 2008. Mr. Nguonly’s nomination as a member of the Board of Directors is supported by his professional experience as founder and principal of a local small business, and as a local commercial real estate investor.

William Soza. Mr. Soza, 73, served as the Chairman and CEO of Soza & Company, Ltd., an information technology, management consulting and CPA firm headquartered in Fairfax, Virginia until its acquisition in February, 2003. He is a Certified Public Accountant, and he currently serves on the board of a university and several community organizations. Formerly, he had served on a state board and a local county agency. Mr. Soza was an organizer, member and Vice Chairman of the Board of Directors of Hemisphere National Bank in Washington, D.C. Mr. Soza has served as a Director of the Bank since its organization and as its Chairman from its organization until June, 2008. Mr. Soza’s nomination as a member of the Board of Directors is supported by his professional experience as founder and principal of a management consulting and certified public accounting firm; his prior experience as a community bank board member; and, his extensive contacts in the local business community.

Meetings, Committees, Leadership Structure and Procedures of the Board of Directors

Meetings. The Board of Directors of the Bank met fourteen (14) times during 2009. All members of the Board of Directors attended at least 75% of the meetings held by the Board of Directors of the Bank and by all committees on which such members served during the 2009 fiscal year or any portion thereof.

Audit Committee. The Board of Directors has a standing Audit Committee. The Audit Committee is responsible for the selection, review and oversight of the Bank independent accountants, the approval of all audit, review and attest services provided by the independent accountants, the integrity of the Bank’s reporting practices and the evaluation of the Bank’s internal controls and accounting procedures. It also periodically reviews audit reports with the Bank’s independent auditors. The Audit Committee is currently comprised of Subhash K. Garg, Ronald J. Gordon, Philip W. Allin and Lim P. Nguonly. Each of the members of the Audit Committee is independent, as determined under the definition of independence adopted by NASDAQ for audit committee members in Rule 5605(c)(2)(A). The Board of Directors has adopted a written charter for the Audit Committee. A copy of the charter is available on the Bank’s website at www.johnmarshallbank.com/InvestorRelations/. During the 2009 fiscal year, the Audit Committee met five (5) times. The Board of Directors has determined that Subhash Garg is an “audit committee financial expert” as defined under regulations of the Securities and Exchange Commission.

The audit committee is also responsible for the pre-approval of all non-audit services provided by its independent auditors. Non-audit services are only provided by the Bank’s auditors to the extent permitted by law. Pre-approval is required unless a “*de minimus*” exception is met. To qualify for the “*de minimus*” exception, the aggregate amount of all such non-audit services provided to the Bank must constitute not more than five percent of the total amount of revenues paid by the Bank to its independent auditors during the fiscal year in which the non-audit services are provided; such services were not recognized by the Bank at the time of the engagement to be non-audit services; and the non-audit services are promptly brought to the attention of the committee and approved prior to the completion of the audit by the committee or by one or more members of the committee to whom authority to grant such approval has been delegated by the committee.

Nominations. The Board of Directors has established a process whereby all “independent directors,” within the meaning of NASDAQ Rule 5305(a)(2), share in the determination and evaluation of potential candidates for nomination as director. The Board of Directors has adopted a charter for the addressing the nominations process. A copy of the charter is available on the Bank’s website at www.johnmarshallbank.com/InvestorRelations/.

The current Board of Directors is comprised of four original members of the Board of Directors and seven persons who became directors in connection with the Bank’s capital raise and business expansion contemplated by the Stock Purchase Agreement and related transactions effected in 2008, pursuant to which the membership of the Board of Directors was restructured. There is no continuing obligation under the Stock Purchase Agreement to nominate or appoint any individual to the Board of Directors. Since effectuation of the transactions under the Stock Purchase Agreement, the operations and management of the Bank have not required the expansion of the Board of Directors, and as such, the Board has not developed a formal policy for the identification or evaluation of nominees. In general, if the Board determined that expansion of the Board or replacement of a director was necessary or appropriate, the Board expects that it would review, through candidate interviews with members of the Board and management, consultation with the candidate’s associates and through other means, a candidate’s honesty, integrity, reputation in and commitment to the community, judgment, personality and thinking style, willingness to invest in the Bank, residence, willingness to devote the necessary time, potential conflicts of interest, independence, understanding of financial statements and issues, and the willingness and ability to engage in meaningful and constructive discussion regarding Bank issues. The Board would review any special expertise, for example, expertise that qualify a person as an audit committee financial expert, and membership or influence in a particular geographic or business target market, or other relevant business experience.

Independent directors will consider director candidates nominated by shareholders during such times as the Bank is actively considering obtaining new directors. Candidates recommended by shareholders will be evaluated based on the same criteria described above. Shareholders desiring to suggest a candidate for consideration should send a letter to the Bank’s Secretary and include: (a) a statement that the writer is a shareholder (providing evidence if the person’s shares are held in street name) and is proposing a candidate for consideration; (b) the name and contact information for the candidate; (c) a statement of the candidate’s business and educational experience; (d) information regarding the candidate’s qualifications to be a director, including but not limited to an evaluation of the factors discussed above which the Board would consider in evaluating a candidate; (e) information regarding any relationship or understanding between the proposing shareholder and the candidate; (f) information regarding potential conflicts of interest; and (g) a statement that the candidate is willing to be considered and willing to serve as director if nominated and elected. Because of the limited resources of the Bank and the limited opportunity to seek additional directors, there is no assurance that all shareholder proposed candidates will be fully considered, that all candidates will be considered equally, or that the proponent of any candidate or the proposed candidate will be contacted by the Bank or the Board, and no undertaking to do so is implied by the willingness to consider candidates proposed by shareholders.

Although the bank’s nominations process charter does not specifically address diversity considerations in identifying and evaluating nominees for the Board of Directors, the Board of Directors believes that diversity in its members is important to enable the Bank to understand and better serve its community. The current Board of Directors includes a woman, three individuals of Hispanic heritage, one individual of Asian heritage and one of Indian heritage.

Compensation. The Board of Directors has a standing Compensation Committee, composed solely of “independent directors” within the meaning of NASDAQ Rule 5605(a)(2). The Compensation Committee, presently comprised of Michael Foster, Philip Chase, Jean Edelman, O. Leland Mahan, and William Soza, is responsible for reviewing and evaluating the Chief Executive Officer and senior management performance, establishing the base compensation of the Chief Executive Officer, and reviewing and approving the base compensation of senior management as recommended by the Chief Executive Officer. The Compensation Committee also annually reviews and approves perquisites for the Chief Executive Officer and senior management; makes recommendations to the Board of Directors with respect to incentive compensation plans, deferred compensation plans, and executive retirement plans; considers and makes recommendations to the Board of Directors on matters relating to the succession of senior management; and, considers and makes recommendations to the Board of Directors regarding the retention of independent compensation consultants or special legal counsel focused on compensation issues. During the 2009 fiscal year, the Compensation Committee met two (2) times. The Board of Directors has adopted a Compensation

Committee Charter. A copy of the charter is available on the Bank's website at www.johnmarshallbank.com/InvestorRelations/. For further information on compensation, please refer to "Executive Officer Compensation and Certain Transactions" below.

Board Leadership Structure and Role in Risk Oversight. The positions of Chief Executive Officer and Chairman of the Board of Directors are held by the same person, Mr. Maxwell. The Board of Directors does not have a member designated as the "lead independent director." We believe that this leadership structure is appropriate given the experience of the Chief Executive Officer and the largely ceremonial role of the Chairman under our bylaws. Additionally, the Board of Directors believes that the Chief Executive Officer is in the best position to be aware of major issues facing the Bank on a day-to-day and long-term basis, and is in the best position to identify key risks and developments facing the Bank to be brought to the Board's attention. Further, a combined Chairman/Chief Executive Officer position eliminates the potential for confusion as to who leads the company, providing the company with a single public "face" in dealing with shareholders, employees, regulators, analysts and other constituencies. However, the Board members are actively involved in oversight of the Bank through their regular participation in board and committee meetings. There is a Directors' Loan Committee that meets weekly to consider and act on loan transactions that exceed officer approval authority. The Audit Committee meets at least quarterly to review internal audit reports prepared by an unaffiliated internal audit firm that reports directly to the Audit Committee chairman. Monthly Board of Director meetings include regular review of management reports on the Bank's financial performance, liquidity requirements, loan portfolio composition, interest rate risk position, and problem assets. In addition, all material Bank policies are reviewed, revised and approved by the Board of Directors annually.

Compensation Committee Interlocks and Insider Participation. The Compensation Committee is presently comprised of Michael Foster, Philip Chase, Jean Edelman, O. Leland Mahan, and William Soza. No member of the Compensation Committee has served as one of our officers or employees at any time. None of our executive officers serve as a member of the compensation committee of any other company that has an executive officer serving as a member of our Board of Directors. None of our executive officers serve as a member of the board of directors of any other company that has an executive officer serving as a member of the Compensation Committee. Except for loans and deposit transactions in the ordinary course of business made on substantially the same terms, including interest rates and collateral, as those for comparable transactions with unaffiliated parties, and not presenting more than the normal risk of collectability or other unfavorable features, no member of the Compensation Committee or any of their related interests has any material interest in any transaction involving more than \$120,000 to which the Bank is a party.

Shareholder Communications. Shareholders who wish to communicate with the Board of Directors or an individual director can write to Mr. Maxwell. Your letter should indicate that you are a shareholder, and whether you own your shares in street name. Depending on the subject matter, management will: (a) forward the communication to the director or directors to whom it is addressed; (b) handle the inquiry directly or delegate it to appropriate employees, such as where the communication is a request for information, a stock related matter, or a matter related to ordinary course matters in the conduct of the Bank's business; or (c) not forward the communication where it is primarily commercial or political in nature, or where it relates to an improper, frivolous or irrelevant topic. Communications which are not forwarded will be retained until the next Board meeting, where they will be available to all directors.

Director Attendance at the Annual Meeting. The Board believes it is important for all directors to attend the annual meeting of shareholders in order to show their support for the Bank and to provide an opportunity for shareholders to communicate any concerns to them. Accordingly, it is the policy of the Bank to encourage all directors to attend each annual meeting of shareholders unless they are unable to attend by reason of personal or family illness or pressing matters. Ten of the eleven directors attended the 2009 annual meeting of shareholders.

Audit Committee Report

The Audit Committee has been appointed to assist the Board of Directors in fulfilling the Board's oversight responsibilities by reviewing the financial information that will be provided to the shareholders and others, the systems of internal controls established by management and the Board and the independence and performance of the Bank's audit process.

The Audit Committee has:

(1) reviewed and discussed with management the audited consolidated financial statements included in the Bank's Annual Report on Form 10-K;

(2) discussed with Yount, Hyde & Barbour, P.C. ("YHB"), the Bank's independent registered public accounting firm, the matters required to be discussed by Statement on Auditing Standards No. 61, as amended, as adopted by the Public Company Accounting Oversight Board in Rule 3200T; and

(3) has received the written disclosures and letter from YHB as required by the applicable requirements of the Public Company Accounting Oversight Board regarding the independent accountants' communications with the Audit Committee regarding independence and has discussed with YHB, its independence.

Based on these reviews and discussions, the Audit Committee has recommended to the Board of Directors that the audited consolidated financial statements be included in the Bank's annual report on Form 10-K for the year ended December 31, 2009. The Audit Committee has also considered whether the amount and nature of non-audit services provided by YHB is compatible with the auditor's independence.

Members of the Audit Committee

Subhash K. Garg
Philip W. Allin
Ronald J. Gordon
Lim P. Nguonly

Director Compensation

The following table sets forth information regarding compensation paid to non-employee directors during the fiscal year ended December 31, 2009. Members of the Board of Directors who are employees do not receive additional cash compensation for service on the Board of Directors.

Director Compensation

Name	Fees Earned or Paid in Cash	Option Awards ⁽¹⁾	All Other Compensation	Total
Philip W. Allin	\$ --	\$ --	\$ --	\$ --
Philip R. Chase	--	--	--	--
Jean Edelman	--	--	--	--
Michael T. Foster	--	--	--	--
Subhash K. Garg	--	--	--	--
Ronald J. Gordon	--	--	--	--
Jonathan C. Kinney	--	--	--	--
O. Leland Mahan	--	--	--	--
Lim P. Nguonly	--	--	--	--
William Soza	--	--	--	--

(1) At December 31, 2009, the non-employee directors held fully vested option awards to purchase shares of common stock as follows: Mr. Allin: 10,015 shares; Mr. Chase: 8,065 shares; Mr. Gordon: 8,952 shares; Mr. Soza: 17,823 shares.

During the fiscal year ended December 31, 2009, the directors did not receive any fees, in cash, equity, options, or otherwise, and no expense was incurred with respect to outstanding option grants.

The Bank does not maintain any equity based incentive plans that permit the grant of equity based awards other than stock options, non-equity incentive plans or compensation programs, deferred compensation plans or arrangements, or defined benefit or defined contribution retirement plans, for directors, or in which directors may participate.

Executive Officers who are not Directors.

Carl E. Dodson. Mr. Dodson, 55, is Executive Vice President - Chief Operating Officer and Principal Financial Officer of the Bank and until June 2008 was its President since its organization. Mr. Dodson has over 25 years of community banking experience in the Washington metropolitan area. Mr. Dodson was one of the original officers of Palmer National Bank in Washington, D.C., serving as Executive Vice President and senior commercial lender from 1983-1996. Following Palmer's sale to George Mason Bankshares in 1996, he served as a Senior Vice President of George Mason Bank until 1998. In 1998, Mr. Dodson joined Cardinal Bank, a Fairfax County de novo bank, as Chief Credit Officer. In 2001, Mr. Dodson was named Executive Vice President and Chief Operating Officer of the parent company, Cardinal Financial Corporation

William J. Ridenour. Mr. Ridenour, 58, is currently President, Chief Administrative Officer and Chief Credit Officer of the Bank. Prior to joining the Bank, Mr. Ridenour was Executive Vice President and Chief Lending Officer at James Monroe Bank from July 2003 until its sale to Mercantile in July 2006, and served with Mercantile and its acquiror, PNC Financial Services Group, until January 2008. Mr. Ridenour has over 34 years experience in the banking industry. He started his career as a credit analyst in 1974 and has held numerous banking positions, including branch manager, credit department manager, commercial lender, problem loan recovery officer, chief credit officer, chief lending officer and President and CEO of two local community banks. He has extensive experience in all aspects of banking policy, regulatory compliance, loan policy, asset and liability management and business development. Mr. Ridenour is currently a Board Member and Fundraising Chairman of the Fairfax Court Appointed Special Advocates (CASA) helping abused and neglected children. He is a member of the Board of Trustees for the Industrial Revenue Bond Authority for the Town of Clifton, VA. He is also a Board Member of the College of Visual and Performing Arts of George Mason University. Mr. Ridenour has served seven years on the Board of the Country Club of Fairfax including two years as Treasurer, one year as President of the Club and one year as Chairman of the Past President's Council. He is a 2003 Graduate of the Leadership Fairfax Program.

Executive Compensation

The following table sets forth a comprehensive overview of the compensation during the two most recent fiscal years for Mr. Maxwell, the Chief Executive Officer of the Bank, and the two most highly compensated executive officers of the Bank who received total compensation of \$100,000 or more during the fiscal year ended December 31, 2009.

Summary Compensation Table

<u>Name and Principal Position</u>	<u>Year</u>	<u>Salary</u>	<u>Bonus</u>	<u>Option Awards⁽¹⁾</u>	<u>All Other Compensation</u>	<u>Total</u>
John Maxwell, Chief Executive Officer	2009	\$225,000	\$ --	\$ --	\$ --	\$225,000
	2008	\$188,365	\$ --	\$ --	\$ -- ⁽²⁾	\$188,365
Carl E. Dodson, Executive Vice President and Chief Operating Officer	2009	\$162,482	\$ --	\$ --	\$6,000 ⁽³⁾	\$168,482
	2008	\$162,088	\$ --	\$6,535	\$6,812 ⁽³⁾	\$175,435
William J. Ridenour, President and Chief Administrative Officer	2009	\$175,000	\$ --	\$ --	\$10,443 ⁽³⁾	\$185,443
	2008	\$149,199	\$ --	\$ --	\$4,415 ⁽²⁾⁽³⁾	\$153,614

(1) Represents the amount of expense recognized in 2008 for financial reporting purposes with respect to option awards made in prior years. No awards were made in any period shown.

(2) In accordance with the provisions of the Stock Purchase Agreement between the Bank and the investor group, following closing, the Bank paid the fees and expenses of counsel to the investor group in negotiating, documenting and effecting the transactions contemplated by the Stock Purchase Agreement, in the amount of \$68,974, as well as application fees of \$7,010. If there had been no closing, the members of the investor group would have been personally liable for payment of such expenses.

(3) Represents the Bank's reimbursement of club membership and car allowance for Mr. Dodson and Mr. Ridenour.

The Bank does not maintain (i) any equity based incentive plans that permit the grant of equity based awards other than stock options, any (ii) non-equity incentive plans or compensation programs (other than discretionary bonuses), (iii) any defined benefit retirement plans; (iv) any supplemental executive retirement plans or (v) any nonqualified deferred compensation program or arrangement.

All of the named executive officers are at will employees and serve at the pleasure of the Board of Directors. None of the named executive officers have an employment agreement or any agreement regarding severance or change in control payments. As of March 31, 2010, the named executive officers are entitled to receive base salaries as follows: Mr. Maxwell: \$225,000; Mr. Dodson: \$175,000; and Mr. Ridenour: \$190,000.

Employee Benefit Plans

The Bank provides a benefit program, which includes health and dental insurance, life insurance, long-term and short-term disability insurance, and a 401(k) plan for substantially all full time employees. The Bank also has adopted the 2006 Stock Option Plan (the “Plan”).

401(k) profit sharing plan. The Bank has a Section 401(k) profit sharing plan (the “401(k) Plan”) covering employees meeting certain eligibility requirements as to minimum age and years of service. Employees may make voluntary contributions to the 401(k) Plan through payroll deductions on a pre-tax basis. The Bank has the option to make discretionary contributions to the 401(k) Plan. The Bank's contributions are subject to a vesting schedule (25 percent per year beginning after two years of service) requiring the completion of five years of service with the Bank, before these benefits are fully vested. A participant's account under the 401(k) Plan, together with investment earnings thereon, is normally distributable, following retirement, death, disability or other termination of employment, in a single lump-sum payment. During 2008 and 2009, the Bank made no contributions to the 401(k) Plan.

Stock Option Plan. The Bank maintains the Plan, approved by shareholders, to enable it to attract, retain, and motivate key officers and directors of the Bank by providing them with a stake in the success of the Bank as measured by the value of its shares.

Administration. The Plan is administered by a committee (the “Committee”) of at least three directors appointed by the Board, unless the Board chooses to administer the Plan directly. Until the Board determines otherwise, the Committee shall consist of the non-employee directors serving on the Board's Human Resources Committee. Subject to the terms of the Plan, the Committee has the authority to select participants and to grant options and other awards under the Plan, to determine the terms of those awards, and otherwise to administer and interpret the Plan. Decisions of the Committee are final and conclusive, subject to the terms of the Plan. Members of the Committee will be indemnified to the full extent permissible under the Bank's Certificate of Incorporation and Bylaws in connection with any claims or other actions relating to any action taken under the Plan.

Types of Awards; Eligible Persons. The Committee may grant stock options under the Plan to directors and key employees designated by the Committee. The amount and value of awards that may be made in the future to directors and named executive officers are not yet determinable other than the Board's intentions as to the initial grants of stock options described below.

Options may be either incentive stock options (“ISOs”) as defined in Section 422 of the Internal Revenue Code (the “Code”), or options that are not ISOs (“Non-ISOs”). Directors who are not employees are not eligible to receive ISOs.

Financial Effects of Awards. The Bank will receive no monetary consideration for the granting of awards under the 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. Under accounting principles currently in effect, recognition of compensation expense is required following the grant of stock options.

Shares Available for Grants. The Plan, as amended, provides for the issuance of up to 555,000 shares of common stock upon the exercise of options. 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 options may be awarded under the Plan, the affected terms of all outstanding options, and the aggregate number of shares of common stock remaining available for grant under the Plan will be adjusted. If options 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 Plan shall have been terminated, be available for the grant of

additional awards under the Plan. At March 31, 2010, options to purchase an aggregate of 74,354 shares of common stock were outstanding, all of which were exercisable.

Duration of the Plan and Grants. The Plan has a term that expires on September 18, 2016, after which date no options may be granted. The maximum term for an 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 Plan, or its termination by the Committee, will not affect any award then outstanding.

Options. The exercise price 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. 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. In the event that the fair market value per share of the common stock falls below the exercise price of previously granted options, the Committee will have the authority, with the consent of the optionee, to cancel outstanding options and to issue new options with an exercise price equal to the then current fair market price per share of the common stock.

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 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.

An otherwise unexpired Non-ISO shall cease to be exercisable upon (i) the optionee's termination of employment or position as a director for "just cause" (as defined in the Plan), (ii) the date three months after a non-director employee terminates service for a reason other than just cause, death, or disability or one year after a director terminates service for a reason other than just cause, death, or disability, or (iii) the date on which the option term expires after the optionee terminates service due to permanent and total disability. Following termination of service due to death, the unexpired option may be exercised until the date on which the option term expires.

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 income 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, in common stock, or a combination of cash and common stock, of the amount of the exercise price for the number of shares with respect to which the option is then being exercised. Common stock utilized in full or partial payment of the exercise price for options shall be valued at its market value at the date of exercise.

Change in Control. Upon a change in control, all options are immediately exercisable and fully vested. At that time, the Committee may grant the optionee the right to receive a cash payment in an amount equal to the excess of the market value of the shares subject to an 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 of the outstanding options must be surrendered in return for options 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 option on the date of the transaction over the exercise price of the option, or cash equal to the excess of the market value of the shares subject to option on the date of the transaction over the exercise price of the option, as determined by the Committee. 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 Plan means any one of the following events: (1) Except as provided in Section 11(c), the acquisition of ownership or control of more than 25% of the Bank's voting stock; (2) the acquisition of the power to control the election of a majority of the Bank's directors; (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) the failure of Continuing Directors to constitute at least two-thirds of the Board of the Bank during any period of two consecutive years. Continuing directors are those individuals who were directors at the Effective Date of the Plan and those other individuals whose election or nomination for election as a director was approved by a vote of at least two-thirds of the continuing directors then in office. 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.

Nontransferability. 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. 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 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. In addition, no shares that have been acquired upon exercise of an option may be sold or otherwise disposed of (except by gift or upon death) before the end of a six-month period that begins on the date the option was granted.

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 options, suspend or terminate the Plan. Shareholder approval is required for an amendment that would increase the number of shares subject to the Plan or that would extend the term of the Plan. No amendment, suspension or termination of the Plan will, without the consent of any affected holders of an option, alter or impair any rights or obligations under the option.

Outstanding Equity Awards at Fiscal Year-End

The following table sets forth, on an award by award basis, information concerning all options awards held by named executive officers at December 31, 2009. All options were granted at 100% of market value as determined in accordance with the Plan.

Name	Option Awards			
	Number of Securities Underlying Unexercised Options Exercisable	Number of Securities Underlying Unexercised Options Unexercisable	Option Exercise Price	Option Expiration Date
John Maxwell	--	--	n/a	n/a
Carl E Dodson	15,000 ⁽¹⁾	--	\$10.00	9/18/2016
William J. Ridenour	--	--	n/a	n/a

- (1) Mr. Dodson's options were originally granted with a three year vesting schedule, commencing on the first anniversary of the date of grant, but became fully vested and immediately exercisable upon the effectiveness of the transactions contemplated by the Stock Purchase Agreement.

Certain Relationships and Related Transactions

The Bank has had, and it is anticipated that the directors and executive officers of the Bank and the business and professional organizations with which they are associated and their family members will have, banking transactions with the Bank in the ordinary course of business. It is the policy of management that any loans and loan commitments will be made in accordance with applicable laws and on substantially the same terms, including interest rates and collateral, as those prevailing at the time for comparable transactions with other persons of comparable credit standing. Loans to directors and executive officers must comply with the Bank's lending policies and statutory lending limits, and directors with a personal interest in any loan application will be excluded from considering any such loan application.

The maximum aggregate amount of loans to executive officers, directors and affiliates of the Bank during 2009 amounted to \$2.6 million representing approximately 8.8% of the Bank's total shareholders' equity at December 31, 2009. In the opinion of the Board of Directors, the terms of these loans are no less favorable to the Bank than terms of the loans from the Bank to unaffiliated parties. On December 31, 2009, \$2.2 million of loans were outstanding to individuals who, during 2009, were executive officers, directors or affiliates of the Bank. At the time each loan was made, such loans were made in the ordinary course of business, were made on substantially the same terms, including interest rates and collateral, as those prevailing at the time for comparable loans with unrelated persons, and management believed that the loan involved no more than the normal risk of collectibility and did not present other unfavorable features. None of such loans were classified as Substandard, Doubtful or Loss.

In February 2008, the Bank entered into the Stock Purchase Agreement (the "Stock Purchase Agreement") with an investor group consisting of Mr. Maxwell, Ms. Edelman, Mr. Foster, Mr. Garg, Mr. Kinney, Mr. Mahan, Mr. Ngounly, Mr. Ridenour, and two non-executive officers of the Bank, pursuant to which, subject to the satisfaction of the conditions to the agreement, including the raising of additional capital, the investors would purchase, in the aggregate at least 600,000 shares of the Bank's common stock, Mr. Maxwell would become Chief Executive Officer and Chairman of the Bank, Mr. Ridenour would become President, the non-executive officers would become Regional Presidents and the membership of the Board of Directors would be changed to its current makeup. Additionally, in accordance with the provisions of the Stock Purchase Agreement, following closing, the Bank paid the fees and expenses of counsel to the investor group in negotiating, documenting and effecting the transactions contemplated by the Stock Purchase Agreement, in the amount of \$68,974 as well as application fees of \$7,010. If there had been no closing, the members of the investor group would have been personally liable for payment of such expenses.

COMPLIANCE WITH SECTION 16(a) OF THE SECURITIES EXCHANGE ACT OF 1934

Section 16(a) of the Securities Exchange Act of 1934 requires the Bank's directors and executive officers, and persons who own more than ten percent of the common stock, to file reports of ownership and changes in ownership on Forms 3, 4 and 5 with the Board of Governors of the Federal Reserve System (filed through the electronic facilities of the Federal Deposit Insurance Corporation), and to provide the Bank with copies of all Forms 3, 4, and 5 they file.

Based solely upon the Bank's review of the copies of the forms which it has received and written representations from the Bank's directors, executive officers and ten percent shareholders, the Bank is not aware of any failure of any such person to comply with the requirements of Section 16(a).

PROPOSAL 2 – RATIFICATION OF THE APPOINTMENT OF THE INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

The Board of Directors has selected the independent registered public accounting firm of Yount, Hyde & Barbour, P.C. ("YHB") to audit the accounts of the Bank for the fiscal year ended December 31, 2010. 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. Services provided to the Company and its subsidiaries by YHB in 2009 and 2008 are described under "Fees Paid to Independent Accounting Firm" below. Additional information regarding the Audit Committee is provided in the Report of the Audit Committee.

The Board of Directors recommends that shareholders vote FOR the ratification of the appointment of YHB as the Company's independent registered public accounting firm. 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 registered public accounting firm.

On November 12, 2008, the Bank approved the dismissal of Thompson, Greenspon & Co., P.C. (“Thompson”) which had previously served as its certifying accountant. During the years ended December 31, 2007 and 2006, and in 2008 to November 12, 2008, there were no disagreements between the Bank and Thompson on any matter of accounting principles or practices, financial statement disclosure, or auditing scope or procedure, which, if not resolved to the satisfaction of Thompson, would have caused Thompson to make reference to such matter in connection with its audit reports on the Bank’s financial statements. The reports of Thompson on the Audited Financial Statements of the Bank as of and for the fiscal years ended December 31, 2007 and December 31, 2006 contained no adverse opinion or disclaimer of opinion and were not qualified or modified as to uncertainty, audit scope, or accounting principles. During the two fiscal year period ended December 31, 2007, and from such date to November 12, 2008, there were no reportable events as such term is used in Item 304(a)(v) of Regulation S-K. The change in independent public accountants was recommended by the Audit Committee of the Board of Directors and approved by the Board of Directors.

On November 12, 2008, the Bank engaged YHB to audit the Bank’s financial statements for fiscal year 2008 as its certifying accountant. The engagement of YHB was recommended by the Bank’s Audit Committee and approved by the Bank’s Board of Directors. During the fiscal years ended December 31, 2007 and 2006, and in the interim period from January 1, 2008 through November 12, 2008, there were no consultations between the Bank and YHB regarding: (1) the application of accounting principles to a specified transaction, either completed or proposed; or the type of audit opinion that might be rendered on the Bank’s financial statements, and neither a written report was provided to the Bank nor oral advice was provided that YHB concluded was an important factor considered by the Bank in reaching a decision as to any such accounting, auditing, or financial reporting issue; or (2) any matter that was either the subject of a disagreement, as that term is used in Item 304(a)(1)(iv) of Regulation S-K or a reportable event, as that term is used in Item 304(a)(1)(v) of Regulation S-K.

Fees Paid to Independent Accounting Firm

Audit Fees. During 2009, the aggregate amount of fees billed to the Bank by Yount, Hyde and Barbour for services rendered by it for the audit of the Bank’s financial statements and review of financial statements included in the Bank’s reports on Form 10 and 10-Q, and for services normally provided in connection with statutory and regulatory filings was \$59,750. In 2008, YHB billed \$37,500 for such services. This category includes fees for services necessary to perform the audit in accordance with the standards of the Public Company Accounting Oversight Board, and things such as consents and assistance with and review of documents filed with Board of Governors of the Federal Reserve System.

Audit-Related Fees. During 2009, the aggregate amount of fees billed to the Bank by Yount, Hyde and Barbour for assurance and related services reasonably related to the performance of the audit services rendered by it, and for consultation, was \$1,180. Related services fees of \$738 were paid to Yount, Hyde and Barbour during 2008. This category included research and discussions of accounting regulations.

Tax Fees. During 2009, the aggregate amount of fees billed to the Bank by YHB for tax advice, compliance and planning services was \$4,375. In 2008, YHB billed \$3,500 for such services. For both years fees were limited to the preparation of federal and state tax returns for the Bank.

All Other Fees. During 2009 and 2008, there were no other fees billed to the Bank by YHB.

None of the engagements of YHB to provide services other than audit services was made pursuant to the *de minimus* exception to the pre-approval requirement contained in the rules of the Securities and Exchange Commission and the Bank’s audit committee charter.

FORM 10-K ANNUAL REPORT

The Bank will provide to any shareholder solicited hereby, without charge, a copy of its Annual Report on Form 10-K for the year ended December 31, 2009 filed with the Board of Governors of the Federal Reserve

System, upon written request. Requests should be directed to Marisa Martineau, at 6601 Little River Turnpike, Suite 110, Alexandria, Virginia 22312.

OTHER MATTERS

Management 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.

SHAREHOLDER PROPOSALS

All proposals of shareholders to be presented for consideration at the next annual meeting and included in the Bank's proxy materials must be received by the Bank no later than December 10, 2010. The Bank must receive written notice of intent to make a nomination to be acted upon at the next annual meeting, or of any other shareholder proposal, by February 10, 2011.

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

_____/s/_____
John Maxwell
Chairman and Chief Executive Officer

April 9, 2010

**REVOCABLE PROXY
JOHN MARSHALL BANK**

This Proxy is solicited on behalf of the Board of Directors

The undersigned hereby makes, constitutes and appoints Philip R. Chase and Jonathan C. Kinney, and each of them (with the power of substitution), proxies for the undersigned to represent and to vote, as designated below, all shares of common stock of John Marshall Bank (the "Bank") which the undersigned would be entitled to vote if personally present at the Bank's Annual Meeting of Shareholders to be held on May 11, 2010 and at any adjournment or postponement of the meeting.

Election of Directors

- FOR all nominees listed below (except as noted to the contrary below)
- WITHHOLD AUTHORITY to vote for all nominees listed below

Nominees: Philip W. Allin, Philip R. Chase, Jean Edelman, Michael T. Foster,
Subhash K. Garg, Ronald J. Gordon, Jonathan C. Kinney, O. Leland
Mahan, John R. Maxwell, Lim P. Nguonly, William Soza

(Instructions: To withhold authority to vote for any individual nominee, write that nominee's name in the space provided below.)

Ratification of the Independent Registered Public Accounting Firm

- FOR AGAINST ABSTAIN

This proxy, when properly executed, will be voted in the manner directed herein by the undersigned shareholder. If no direction is made, this proxy will be voted **FOR** all of the nominees set forth above and **FOR** ratification of the appointment of the independent registered public accounting firm. **In addition, this proxy will be voted at the discretion of the proxy holder(s) upon any other matter which may properly come before the meeting or any adjournment or postponement of the meeting.**

Important: Please date and sign your name as addressed, and return this proxy in the enclosed envelope. When signing as executor, administrator, trustee, guardian, etc., please give full title as such. If the shareholder is a corporation, the proxy should be signed in the full corporate name by a duly authorized officer whose title is stated.

Signature of Shareholder

Signature of Shareholder

Dated: _____, 2010

PLEASE COMPLETE, DATE, SIGN AND MAIL THIS PROXY PROMPTLY IN THE ENCLOSED
POSTAGE-PAID ENVELOPE.

- Please check here if you plan to attend the Annual Meeting.