UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, DC 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): **December 2, 2008**

Eagle Bancorp, Inc.

(Exact name of registrant as specified in its charter)

Maryland	**0-25923**	**52-2061461**
(State or other jurisdiction of incorporation)	(Commission file number)	(IRS Employer Number)

7815 Woodmont Avenue, Bethesda, Maryland 20814
(Address of Principal Executive Offices) (Zip Code)

Registrant's telephone number, including area code: **301.986.1800**

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

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

Item 1.01 Entry into a Material Definitive Agreement
Item 3.02 Unregistered Sale of Equity Securities

On December 5, 2008, Eagle Bancorp, Inc. (the "Company") entered into and consummated a Letter Agreement (the "Purchase Agreement") with the United States Department of the Treasury (the "Treasury"), pursuant to which the Company issued 38,235 shares of the Company's Fixed Rate Cumulative Perpetual Preferred Stock, Series A (the "Series A Preferred Stock"), having a liquidation amount per share equal to $1,000, for a total purchase price of $38,235,000. The Series A Preferred Stock pays cumulative dividends at a rate of 5% per year for the first five years and thereafter at a rate of 9% per year. The Company may not redeem the Series A Preferred Stock during the first three years except with the proceeds from a "qualified equity offering" (as defined in the Articles Supplementary described in Item 5.03). After three years, the Company may, at its option, redeem the Series A Preferred Stock at the liquidation amount plus accrued and unpaid dividends. The Series A Preferred Stock is non-voting, except in limited circumstances. Prior to the third anniversary of issuance, unless the Company has redeemed all of the Series A Preferred Stock or the Treasury has transferred all of the Series A Preferred Stock to a third party, the consent of the Treasury will be required for the Company to increase its common stock dividend or repurchase its common stock or other equity or capital securities, other than in connection with benefit plans consistent with past practice and certain other circumstances specified in the Purchase Agreement. A copy of the Purchase Agreement is attached as Exhibit 10.1 hereto and is incorporated by reference herein.

In connection with the purchase of the Series A Preferred Stock, the Treasury was issued a warrant (the "Warrant") to purchase 770,867 shares of the Company's common stock at an initial exercise price of $7.44 per share. The Warrant provides for the adjustment of the exercise price and the number of shares of the common stock issuable upon exercise pursuant to customary anti-dilution provisions, such as upon stock splits or distributions of securities or other assets to holders of the common stock, and upon certain issuances of the common stock (or securities exercisable or exchangeable for, or convertible into, common stock) at or below 90% of the market price of the common stock on the trading day prior to the date of the agreement on pricing such securities. The Warrant expires ten years from the date of issuance. The number of shares of common stock issuable pursuant to the Warrant will be reduced by one-half if, on or prior to December 31, 2009, the Company receives aggregate gross cash proceeds of not less than $38,235,000 from "qualified equity offerings" announced after October 13, 2008. The Treasury has agreed not to exercise voting power with respect to any shares of common stock issued upon exercise of the Warrant. A copy of the Warrant is attached as Exhibit 4.1 hereto and is incorporated by reference herein.

As a result of the issuance of the Series A Preferred Stock to the Treasury, the Company is required to comply with certain restrictions on executive compensation included in the Emergency Economic Stabilization Act of 2008 (the "EESA"). Certain of these provisions could limit the tax deductibility of compensation the Company pays to its executive officers.

The Series A Preferred Stock and the Warrant were issued in a private placement exempt from registration pursuant to Section 4(2) of the Securities Act of 1933, as amended. The Company has agreed to register the Series A Preferred Stock, the Warrant, and the shares of common stock underlying the Warrant (the "Warrant Shares") as soon as practicable after the date of the issuance, subject to certain exceptions. Neither the Series A Preferred Stock nor the Warrant will be subject to any contractual restrictions on transfer, except that the Treasury may only transfer or exercise an aggregate of one-half of the Warrant Shares prior to the earlier of (i) the Company's receipt of aggregate gross proceeds of not less than $38,235,000 in one or more "qualified equity offerings" and (ii) December 31, 2009.

Item 3.03. Material Modification to Rights of Security Holders.

Pursuant to the terms of the Purchase Agreement and the Articles Supplementary designating the terms of the Series A Preferred Stock, the Company's ability to declare or pay dividends or distributions on, or purchase, redeem or otherwise acquire for consideration, shares of its Junior Stock (as defined below) and Parity Stock (as defined below) is subject to restrictions, including a restriction against paying any dividends on the common stock. The redemption, purchase or other acquisition of trust preferred securities of the Company or its affiliates also will be restricted. These restrictions will terminate on the earlier of (a) the third anniversary of the date of issuance of the Series A Preferred Stock and (b) the date on which all of the Series A Preferred Stock has been redeemed or Treasury has transferred all of the Series A Preferred Stock to third parties.

In addition, the Company's ability to declare or pay dividends or distributions on, or repurchase, redeem or otherwise acquire for consideration, shares of its Junior Stock and Parity Stock will be subject to restrictions in the event that the Company fails to declare and pay full dividends (or declare and set aside a sum sufficient for payment thereof) on the Series A Preferred Stock.

"Junior Stock" means the Company's common stock and any other class or series of the Company's stock the terms of which expressly provide that it ranks junior to the Series A Preferred Stock as to dividend rights and/or rights on liquidation, dissolution or winding up of the Company. "Parity Stock" means any class or series of the Company's stock the terms of which do not expressly provide that such class or series will rank senior or junior to the Series A Preferred Stock as to dividend rights and/or rights on liquidation, dissolution or winding up of the Company.

Item 5.02. Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

In connection with the Closing of the closing of the Treasury purchase, each of the members of the Company's senior management, Ronald D. Paul, Michael T. Flynn, Martha Foulon-Tonat, James H. Langmead, Thomas D. Murphy, Susan G. Riel, Barry Watkins and Janice Williams (the "Senior Officers") executed a waiver (the "Waiver") voluntarily waiving any claim against the Treasury or the Company for any changes to such officer's compensation or benefits that are required to comply with the regulations issued by the Treasury.

Additionally, in connection with the Purchase Agreement, on December 2, 2008 and December 3, 2008, the Company entered into amended employment agreements with the Senior Officers to the extent necessary to be in compliance with the executive compensation and corporate governance requirements of EESA, as implemented by guidance or regulation. The amendments also effect documentary compliance under Section 409A of the Internal Revenue Code of 1986, as amended, and regulations and guidance issued thereunder (the "Code"). The amendments, among other things, to (i) limit such Senior Officers severance compensation in connection with an involuntary termination or in connection with any bankruptcy, liquidation or receivership of the Company to the amount permitted under Section 280G of the Code, and (ii) provide for the recovery by the Company of payments based on financial statements or other criteria that are later proven to be materially inaccurate. Each of these requirements applies during the period that the Treasury owns any securities acquired under the Purchase Agreement. The amendments also extend the term of each of the Senior Officer's employment to August 31, 2011, except for Mr. Flynn, whose term, as extended, expires December 31, 2009. Copies of the amendments are attached as Exhibits 10.2 through 10.9 hereto, and are incorporated by reference herein.

Item 5.03. Amendment to Articles of Incorporation or Bylaws; Change in Fiscal Year.

On December 3, 2008, the Company filed Articles Supplementary to the Company's Articles of Incorporation with the Maryland State Department of Taxation and Assessments for the purpose of designating the terms, preferences, limitations and relative rights of the Series A Preferred Stock. A copy of the Articles Supplementary for the Series A Preferred Stock is attached hereto as Exhibit 3.1 hereto and incorporated by reference herein.

Item 9.01. Financial Statements and Exhibits

(d) Exhibits.

Number	Description
3.1	Articles Supplementary to the Articles of Incorporation for the Series A Preferred Stock
4.1	Warrant to Purchase Common Stock
10.1	Letter Agreement (including Securities Purchase Agreement – Standard Terms) between the Company and the United States Department of the Treasury with respect to the Series A Preferred Stock
10.2	Amended and Restated Employment Agreement between the Company and Ronald D. Paul – To be filed by amendment.
10.3	Amended and Restated Employment Agreement between the Company and Michael T. Flynn
10.4	Amended and Restated Employment Agreement between the Company and Martha Foulon-Tonat

Number	Description
10.5	Amended and Restated Employment Agreement between the Company and James H. Langmead
10.6	Amended and Restated Employment Agreement between the Company and Thomas D. Murphy
10.7	Amended and Restated Employment Agreement between the Company and Susan G. Riel
10.8	Amended and Restated Employment Agreement between the Company and Barry Watkins
10.9	Amended and Restated Employment Agreement between the Company and Janice Williams
99.1	Press Release dated December 5, 2008
99.2	Form of Waiver by Senior Officers

Signatures

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

EAGLE BANCORP, INC.

By: /s/ Ronald D. Paul
Ronald D. Paul, President, Chief Executive Officer

Dated: December 5, 2008

Exhibit 3.1

ARTICLES SUPPLEMENTARY
TO THE
ARTICLES OF INCORPORATION
OF
EAGLE BANCORP, INC.

WHEREAS, the Articles of Incorporation, as amended (the "Articles of Incorporation"), of Eagle Bancorp, Inc. (the "Corporation"), authorize 1,000,000 shares of preferred stock, par value $.01 per share (the "Preferred Stock"); and

WHEREAS, under Article III of the Articles of Incorporation, the Board of Directors of the Corporation, pursuant to Section 2-208 of the Maryland General Corporation Law, 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; and

WHEREAS**,** the Board of Directors or an applicable committee of the Board of Directors, in accordance with the Articles of Incorporation and bylaws of the Corporation and applicable law, adopted the following resolution on November 25, 2008 creating a series of shares of Preferred Stock of the Corporation designated as "Fixed Rate Cumulative Perpetual Preferred Stock, Series A."

RESOLVED, that pursuant to the provisions of the Articles of Incorporation and bylaws of the Corporation and applicable law, a series of Preferred Stock, par value $0.01 per share, of the Corporation be and hereby is created, and that the designation and number of shares of such series, and the voting and other powers, preferences and relative, participating, optional or other rights, and the qualifications, limitations and restrictions thereof, of the shares of such series, are as follows:

Part 1. Designation and Number of Shares. There is hereby created out of the authorized and unissued shares of Preferred Stock of the Corporation a series of Preferred Stock designated as the "Fixed Rate Cumulative Perpetual Preferred Stock, Series A" (the "Designated Preferred Stock"). The authorized number of shares of Designated Preferred Stock shall be 38,235.

Part 2. Standard Provisions. The Standard Provisions contained in Annex A attached hereto are incorporated herein by reference in their entirety and shall be deemed to be a part of this designations to the same extent as if such provisions had been set forth in full herein.

Part 3. Definitions. The following terms are used in these Articles Supplementary designating the Designated Preferred Stock (including the Standard Provisions in Annex A hereto) as defined below:

(a) "Common Stock" means the common stock, par value $0.01 per share, of the Corporation.

(b) "Dividend Payment Date" means February 15, May 15, August 15 and November 15 of each year.

(c) "Junior Stock" means the Common Stock and any other class or series of stock of the Corporation the terms of which expressly provide that it ranks junior to Designated Preferred Stock as to dividend rights and/or as to rights on liquidation, dissolution or winding up of the Corporation.

(d) "Liquidation Amount" means $1,000 per share of Designated Preferred Stock.

(e) "Minimum Amount" means $9,558,750 .

(f) "Parity Stock" means any class or series of stock of the Corporation (other than Designated Preferred Stock) the terms of which do not expressly provide that such class or series will rank senior or junior to Designated Preferred Stock as to dividend rights and/or as to rights on liquidation, dissolution or winding up of the Corporation (in each case without regard to whether dividends accrue cumulatively or non-cumulatively).

(g) "Signing Date" means December 5, 2008.

Part 4. Certain Voting Matters. Holders of shares of Designated Preferred Stock will be entitled to one vote for each such share on any matter on which holders of Designated Preferred Stock are entitled to vote, including any action by written consent.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, the Corporation has caused these Articles Supplementary to the Articles of Incorporation to be signed in its name and on its behalf by its President and its corporate seal to be hereunto affixed by its Secretary, and each officer signing this document acknowledges it to be the corporate act of the Corporation and that, to the best of his or her knowledge, information and belief, all matters and facts set forth herein with respect to the authorization and approval of the foregoing Articles are true in all material respects and that this verification is made under penalties of perjury.

ATTEST: [SEAL]

EAGLE BANCORP, INC.

Name: Jane E. Cornett, Secretary

Ronald D. Paul, President

STANDARD PROVISIONS

Section 1. General Matters. Each share of Designated Preferred Stock shall be identical in all respects to every other share of Designated Preferred Stock. The Designated Preferred Stock shall be perpetual, subject to the provisions of Section 5 of these Standard Provisions that form a part of the Articles Supplementary. The Designated Preferred Stock shall rank equally with Parity Stock and shall rank senior to Junior Stock with respect to the payment of dividends and the distribution of assets in the event of any dissolution, liquidation or winding up of the Corporation.

Section 2. Standard Definitions. As used herein with respect to Designated Preferred Stock:

(a) "Applicable Dividend Rate" means (i) during the period from the Original Issue Date to, but excluding, the first day of the first Dividend Period commencing on or after the fifth anniversary of the Original Issue Date, 5% per annum and (ii) from and after the first day of the first Dividend Period commencing on or after the fifth anniversary of the Original Issue Date, 9% per annum.

(b) "Appropriate Federal Banking Agency" means the "appropriate Federal banking agency" with respect to the Corporation as defined in Section 3(q) of the Federal Deposit Insurance Act (12 U.S.C. Section 1813(q)), or any successor provision.

(c) "Articles Supplementary" means the Articles Supplementary or comparable instrument relating to the Designated Preferred Stock, of which these Standard Provisions form a part, as it may be amended from time to time.

(d) "Business Combination" means a merger, consolidation, statutory share exchange or similar transaction that requires the approval of the Corporation's stockholders.

(e) "Business Day" means any day except Saturday, Sunday and any day on which banking institutions in the State of New York generally are authorized or required by law or other governmental actions to close.

(f) "Bylaws" means the bylaws of the Corporation, as they may be amended from time to time.

(g) "Charter" means the Corporation's certificate or articles of incorporation, articles of association, or similar organizational document.

(h) "Dividend Period" has the meaning set forth in Section 3(a).

(i) "Dividend Record Date" has the meaning set forth in Section 3(a).

(j) "Liquidation Preference" has the meaning set forth in Section 4(a).

(k) "Original Issue Date" means the date on which shares of Designated Preferred Stock are first issued.

(l) "Preferred Director" has the meaning set forth in Section 7(b).

(m) "Preferred Stock" means any and all series of preferred stock of the Corporation, including the Designated Preferred Stock.

(n) "Qualified Equity Offering" means the sale and issuance for cash by the Corporation to persons other than the Corporation or any of its subsidiaries after the Original Issue Date of shares of perpetual Preferred Stock, Common Stock or any combination of such stock, that, in each case, qualify as and may be included in Tier 1 capital of the Corporation at the time of issuance under the applicable risk-based capital guidelines of the Corporation's Appropriate Federal Banking Agency (other than any such sales and issuances made pursuant to agreements or arrangements entered into, or pursuant to financing plans which were publicly announced, on or prior to October 13, 2008).

(o) "Share Dilution Amount" has the meaning set forth in Section 3(b).

(p) "Standard Provisions" mean these Standard Provisions that form a part of the Articles Supplementary relating to the Designated Preferred Stock.

(q) "Successor Preferred Stock" has the meaning set forth in Section 5(a).

(r) "Voting Parity Stock" means, with regard to any matter as to which the holders of Designated Preferred Stock are entitled to vote as specified in Sections 7(a) and 7(b) of these Standard Provisions that form a part of the Articles Supplementary, any and all series of Parity Stock upon which like voting rights have been conferred and are exercisable with respect to such matter.

Section 3. Dividends

(a) Rate. Holders of Designated Preferred Stock shall be entitled to receive, on each share of Designated Preferred Stock if, as and when declared by the Board of Directors or any duly authorized committee of the Board of Directors, but only out of assets legally available therefor, cumulative cash dividends with respect to each Dividend Period (as defined below) at a rate per annum equal to the Applicable Dividend Rate on (i) the Liquidation Amount per share of Designated Preferred Stock and (ii) the amount of accrued and unpaid dividends for any prior Dividend Period on such share of Designated Preferred Stock, if any. Such dividends shall begin to accrue and be cumulative from the Original Issue Date, shall compound on each subsequent Dividend Payment Date (*i.e.*, no dividends shall accrue on other dividends unless and until the first Dividend Payment Date for such other dividends has passed without such other dividends having been paid on such date) and shall be payable quarterly in arrears on each Dividend Payment Date, commencing with the first such Dividend Payment Date to occur at least 20

calendar days after the Original Issue Date. In the event that any Dividend Payment Date would otherwise fall on a day that is not a Business Day, the dividend payment due on that date will be postponed to the next day that is a Business Day and no additional dividends will accrue as a result of that postponement. The period from and including any Dividend Payment Date to, but excluding, the next Dividend Payment Date is a "Dividend Period", provided that the initial Dividend Period shall be the period from and including the Original Issue Date to, but excluding, the next Dividend Payment Date.

Dividends that are payable on Designated Preferred Stock in respect of any Dividend Period shall be computed on the basis of a 360-day year consisting of twelve 30-day months. The amount of dividends payable on Designated Preferred Stock on any date prior to the end of a Dividend Period, and for the initial Dividend Period, shall be computed on the basis of a 360-day year consisting of twelve 30-day months, and actual days elapsed over a 30-day month.

Dividends that are payable on Designated Preferred Stock on any Dividend Payment Date will be payable to holders of record of Designated Preferred Stock as they appear on the stock register of the Corporation on the applicable record date, which shall be the 15th calendar day immediately preceding such Dividend Payment Date or such other record date fixed by the Board of Directors or any duly authorized committee of the Board of Directors that is not more than 60 nor less than 10 days prior to such Dividend Payment Date (each, a "Dividend Record Date"). Any such day that is a Dividend Record Date shall be a Dividend Record Date whether or not such day is a Business Day.

Holders of Designated Preferred Stock shall not be entitled to any dividends, whether payable in cash, securities or other property, other than dividends (if any) declared and payable on Designated Preferred Stock as specified in this Section 3 (subject to the other provisions of the Articles Supplementary).

(b) Priority of Dividends. So long as any share of Designated Preferred Stock remains outstanding, no dividend or distribution shall be declared or paid on the Common Stock or any other shares of Junior Stock (other than dividends payable solely in shares of Common Stock) or Parity Stock, subject to the immediately following paragraph in the case of Parity Stock, and no Common Stock, Junior Stock or Parity Stock shall be, directly or indirectly, purchased, redeemed or otherwise acquired for consideration by the Corporation or any of its subsidiaries unless all accrued and unpaid dividends for all past Dividend Periods, including the latest completed Dividend Period (including, if applicable as provided in Section 3(a) above, dividends on such amount), on all outstanding shares of Designated Preferred Stock have been or are contemporaneously declared and paid in full (or have been declared and a sum sufficient for the payment thereof has been set aside for the benefit of the holders of shares of Designated Preferred Stock on the applicable record date). The foregoing limitation shall not apply to (i) redemptions, purchases or other acquisitions of shares of Common Stock or other Junior Stock in connection with the administration of any employee benefit plan in the ordinary course of business (including purchases to offset the Share Dilution Amount (as defined below) pursuant to a publicly announced repurchase plan) and consistent with past practice, *provided* that any purchases to offset the Share Dilution Amount shall in no event exceed the Share Dilution Amount; (ii) purchases or other acquisitions by a broker-dealer subsidiary of the Corporation solely for the purpose of market-making, stabilization or customer facilitation

transactions in Junior Stock or Parity Stock in the ordinary course of its business; (iii) purchases by a broker dealer subsidiary of the Corporation of capital stock of the Corporation for resale pursuant to an offering by the Corporation of such capital stock underwritten by such broker-dealer subsidiary; (iv) any dividends or distributions of rights or Junior Stock in connection with a stockholders' rights plan or any redemption or repurchase of rights pursuant to any stockholders' rights plan; (v) the acquisition by the Corporation or any of its subsidiaries of record ownership in Junior Stock or Parity Stock for the beneficial ownership of any other persons (other than the Corporation or any of its subsidiaries), including as trustees or custodians; and (vi) the exchange or conversion of Junior Stock for or into other Junior Stock or of Parity Stock for or into other Parity Stock (with the same or lesser aggregate liquidation amount) or Junior Stock, in each case, solely to the extent required pursuant to binding contractual agreements entered into prior to the Signing Date or any subsequent agreement for the accelerated exercise, settlement or exchange thereof for Common Stock. "Share Dilution Amount" means the increase in the number of diluted shares outstanding (determined in accordance with generally accepted accounting principles in the United States, and as measured from the date of the Corporation's consolidated financial statements most recently filed with the Securities and Exchange Commission prior to the Original Issue Date) resulting from the grant, vesting or exercise of equity-based compensation to employees and equitably adjusted for any stock split, stock dividend, reverse stock split, reclassification or similar transaction.

When dividends are not paid (or declared and a sum sufficient for payment thereof set aside for the benefit of the holders thereof on the applicable record date) on any Dividend Payment Date (or, in the case of Parity Stock having dividend payment dates different from the Dividend Payment Dates, on a dividend payment date falling within a Dividend Period related to such Dividend Payment Date) in full upon Designated Preferred Stock and any shares of Parity Stock, all dividends declared on Designated Preferred Stock and all such Parity Stock and payable on such Dividend Payment Date (or, in the case of Parity Stock having dividend payment dates different from the Dividend Payment Dates, on a dividend payment date falling within the Dividend Period related to such Dividend Payment Date) shall be declared *pro rata* so that the respective amounts of such dividends declared shall bear the same ratio to each other as all accrued and unpaid dividends per share on the shares of Designated Preferred Stock (including, if applicable as provided in Section 3(a) above, dividends on such amount) and all Parity Stock payable on such Dividend Payment Date (or, in the case of Parity Stock having dividend payment dates different from the Dividend Payment Dates, on a dividend payment date falling within the Dividend Period related to such Dividend Payment Date) (subject to their having been declared by the Board of Directors or a duly authorized committee of the Board of Directors out of legally available funds and including, in the case of Parity Stock that bears cumulative dividends, all accrued but unpaid dividends) bear to each other. If the Board of Directors or a duly authorized committee of the Board of Directors determines not to pay any dividend or a full dividend on a Dividend Payment Date, the Corporation will provide written notice to the holders of Designated Preferred Stock prior to such Dividend Payment Date.

Subject to the foregoing, and not otherwise, such dividends (payable in cash, securities or other property) as may be determined by the Board of Directors or any duly authorized committee of the Board of Directors may be declared and paid on any securities, including Common Stock and other Junior Stock, from time to time out of any funds legally available for

such payment, and holders of Designated Preferred Stock shall not be entitled to participate in any such dividends.

Section 4. Liquidation Rights.

(a) Voluntary or Involuntary Liquidation. In the event of any liquidation, dissolution or winding up of the affairs of the Corporation, whether voluntary or involuntary, holders of Designated Preferred Stock shall be entitled to receive for each share of Designated Preferred Stock, out of the assets of the Corporation or proceeds thereof (whether capital or surplus) available for distribution to stockholders of the Corporation, subject to the rights of any creditors of the Corporation, before any distribution of such assets or proceeds is made to or set aside for the holders of Common Stock and any other stock of the Corporation ranking junior to Designated Preferred Stock as to such distribution, payment in full in an amount equal to the sum of (i) the Liquidation Amount per share and (ii) the amount of any accrued and unpaid dividends (including, if applicable as provided in Section 3(a) above, dividends on such amount), whether or not declared, to the date of payment (such amounts collectively, the "Liquidation Preference").

(b) Partial Payment. If in any distribution described in Section 4(a) above the assets of the Corporation or proceeds thereof are not sufficient to pay in full the amounts payable with respect to all outstanding shares of Designated Preferred Stock and the corresponding amounts payable with respect of any other stock of the Corporation ranking equally with Designated Preferred Stock as to such distribution, holders of Designated Preferred Stock and the holders of such other stock shall share ratably in any such distribution in proportion to the full respective distributions to which they are entitled.

(c) Residual Distributions. If the Liquidation Preference has been paid in full to all holders of Designated Preferred Stock and the corresponding amounts payable with respect of any other stock of the Corporation ranking equally with Designated Preferred Stock as to such distribution has been paid in full, the holders of other stock of the Corporation shall be entitled to receive all remaining assets of the Corporation (or proceeds thereof) according to their respective rights and preferences.

(d) Merger, Consolidation and Sale of Assets Not Liquidation. For purposes of this Section 4, the merger or consolidation of the Corporation with any other corporation or other entity, including a merger or consolidation in which the holders of Designated Preferred Stock receive cash, securities or other property for their shares, or the sale, lease or exchange (for cash, securities or other property) of all or substantially all of the assets of the Corporation, shall not constitute a liquidation, dissolution or winding up of the Corporation.

Section 5. Redemption.

(a) Optional Redemption. Except as provided below, the Designated Preferred Stock may not be redeemed prior to the first Dividend Payment Date falling on or after the third anniversary of the Original Issue Date. On or after the first Dividend Payment Date falling on or after the third anniversary of the Original Issue Date, the Corporation, at its option, subject to the approval

of the Appropriate Federal Banking Agency, may redeem, in whole or in part, at any time and from time to time, out of funds legally available therefor, the shares of Designated Preferred Stock at the time outstanding, upon notice given as provided in Section 5(c) below, at a redemption price equal to the sum of (i) the Liquidation Amount per share and (ii) except as otherwise provided below, any accrued and unpaid dividends (including, if applicable as provided in Section 3(a) above, dividends on such amount) (regardless of whether any dividends are actually declared) to, but excluding, the date fixed for redemption.

Notwithstanding the foregoing, prior to the first Dividend Payment Date falling on or after the third anniversary of the Original Issue Date, the Corporation, at its option, subject to the approval of the Appropriate Federal Banking Agency, may redeem, in whole or in part, at any time and from time to time, the shares of Designated Preferred Stock at the time outstanding, upon notice given as provided in Section 5(c) below, at a redemption price equal to the sum of (i) the Liquidation Amount per share and (ii) except as otherwise provided below, any accrued and unpaid dividends (including, if applicable as provided in Section 3(a) above, dividends on such amount) (regardless of whether any dividends are actually declared) to, but excluding, the date fixed for redemption; *provided* that (x) the Corporation (or any successor by Business Combination) has received aggregate gross proceeds of not less than the Minimum Amount (plus the "Minimum Amount" as defined in the relevant Articles Supplementary for each other outstanding series of preferred stock of such successor that was originally issued to the United States Department of the Treasury (the "Successor Preferred Stock") in connection with the Troubled Asset Relief Program Capital Purchase Program) from one or more Qualified Equity Offerings (including Qualified Equity Offerings of such successor), and (y) the aggregate redemption price of the Designated Preferred Stock (and any Successor Preferred Stock) redeemed pursuant to this paragraph may not exceed the aggregate net cash proceeds received by the Corporation (or any successor by Business Combination) from such Qualified Equity Offerings (including Qualified Equity Offerings of such successor).

The redemption price for any shares of Designated Preferred Stock shall be payable on the redemption date to the holder of such shares against surrender of the certificate(s) evidencing such shares to the Corporation or its agent. Any declared but unpaid dividends payable on a redemption date that occurs subsequent to the Dividend Record Date for a Dividend Period shall not be paid to the holder entitled to receive the redemption price on the redemption date, but rather shall be paid to the holder of record of the redeemed shares on such Dividend Record Date relating to the Dividend Payment Date as provided in Section 3 above.

(b) No Sinking Fund. The Designated Preferred Stock will not be subject to any mandatory redemption, sinking fund or other similar provisions. Holders of Designated Preferred Stock will have no right to require redemption or repurchase of any shares of Designated Preferred Stock.

(c) Notice of Redemption. Notice of every redemption of shares of Designated Preferred Stock shall be given by first class mail, postage prepaid, addressed to the holders of record of the shares to be redeemed at their respective last addresses appearing on the books of the Corporation. Such mailing shall be at least 30 days and not more than 60 days before the date fixed for redemption. Any notice mailed as provided in this Subsection shall be conclusively

presumed to have been duly given, whether or not the holder receives such notice, but failure duly to give such notice by mail, or any defect in such notice or in the mailing thereof, to any holder of shares of Designated Preferred Stock designated for redemption shall not affect the validity of the proceedings for the redemption of any other shares of Designated Preferred Stock. Notwithstanding the foregoing, if shares of Designated Preferred Stock are issued in book-entry form through The Depository Trust Corporation or any other similar facility, notice of redemption may be given to the holders of Designated Preferred Stock at such time and in any manner permitted by such facility. Each notice of redemption given to a holder shall state: (1) the redemption date; (2) the number of shares of Designated Preferred Stock to be redeemed and, if less than all the shares held by such holder are to be redeemed, the number of such shares to be redeemed from such holder; (3) the redemption price; and (4) the place or places where certificates for such shares are to be surrendered for payment of the redemption price.

(d) Partial Redemption. In case of any redemption of part of the shares of Designated Preferred Stock at the time outstanding, the shares to be redeemed shall be selected either *pro rata* or in such other manner as the Board of Directors or a duly authorized committee thereof may determine to be fair and equitable. Subject to the provisions hereof, the Board of Directors or a duly authorized committee thereof shall have full power and authority to prescribe the terms and conditions upon which shares of Designated Preferred Stock shall be redeemed from time to time. If fewer than all the shares represented by any certificate are redeemed, a new certificate shall be issued representing the unredeemed shares without charge to the holder thereof.

(e) Effectiveness of Redemption. If notice of redemption has been duly given and if on or before the redemption date specified in the notice all funds necessary for the redemption have been deposited by the Corporation, in trust for the *pro rata* benefit of the holders of the shares called for redemption, with a bank or trust company doing business in the Borough of Manhattan, The City of New York, and having a capital and surplus of at least $500 million and selected by the Board of Directors, so as to be and continue to be available solely therefor, then, notwithstanding that any certificate for any share so called for redemption has not been surrendered for cancellation, on and after the redemption date dividends shall cease to accrue on all shares so called for redemption, all shares so called for redemption shall no longer be deemed outstanding and all rights with respect to such shares shall forthwith on such redemption date cease and terminate, except only the right of the holders thereof to receive the amount payable on such redemption from such bank or trust company, without interest. Any funds unclaimed at the end of three years from the redemption date shall, to the extent permitted by law, be released to the Corporation, after which time the holders of the shares so called for redemption shall look only to the Corporation for payment of the redemption price of such shares.

(f) Status of Redeemed Shares. Shares of Designated Preferred Stock that are redeemed, repurchased or otherwise acquired by the Corporation shall revert to authorized but unissued shares of Preferred Stock (*provided* that any such cancelled shares of Designated Preferred Stock may be reissued only as shares of any series of Preferred Stock other than Designated Preferred Stock).

Section 6. Conversion. Holders of Designated Preferred Stock shares shall have no right to exchange or convert such shares into any other securities.

Section 7. Voting Rights.

(a) General. The holders of Designated Preferred Stock shall not have any voting rights except as set forth below or as otherwise from time to time required by law.

(b) Preferred Stock Directors. Whenever, at any time or times, dividends payable on the shares of Designated Preferred Stock have not been paid for an aggregate of six quarterly Dividend Periods or more, whether or not consecutive, the authorized number of directors of the Corporation shall automatically be increased by two and the holders of the Designated Preferred Stock shall have the right, with holders of shares of any one or more other classes or series of Voting Parity Stock outstanding at the time, voting together as a class, to elect two directors (hereinafter the "Preferred Directors" and each a "Preferred Director") to fill such newly created directorships at the Corporation's next annual meeting of stockholders (or at a special meeting called for that purpose prior to such next annual meeting) and at each subsequent annual meeting of stockholders until all accrued and unpaid dividends for all past Dividend Periods, including the latest completed Dividend Period (including, if applicable as provided in Section 3(a) above, dividends on such amount), on all outstanding shares of Designated Preferred Stock have been declared and paid in full at which time such right shall terminate with respect to the Designated Preferred Stock, except as herein or by law expressly provided, subject to revesting in the event of each and every subsequent default of the character above mentioned; *provided* that it shall be a qualification for election for any Preferred Director that the election of such Preferred Director shall not cause the Corporation to violate any corporate governance requirements of any securities exchange or other trading facility on which securities of the Corporation may then be listed or traded that listed or traded companies must have a majority of independent directors. Upon any termination of the right of the holders of shares of Designated Preferred Stock and Voting Parity Stock as a class to vote for directors as provided above, the Preferred Directors shall cease to be qualified as directors, the term of office of all Preferred Directors then in office shall terminate immediately and the authorized number of directors shall be reduced by the number of Preferred Directors elected pursuant hereto. Any Preferred Director may be removed at any time, with or without cause, and any vacancy created thereby may be filled, only by the affirmative vote of the holders a majority of the shares of Designated Preferred Stock at the time outstanding voting separately as a class together with the holders of shares of Voting Parity Stock, to the extent the voting rights of such holders described above are then exercisable. If the office of any Preferred Director becomes vacant for any reason other than removal from office as aforesaid, the remaining Preferred Director may choose a successor who shall hold office for the unexpired term in respect of which such vacancy occurred.

(c) Class Voting Rights as to Particular Matters. So long as any shares of Designated Preferred Stock are outstanding, in addition to any other vote or consent of stockholders required by law or by the Charter, the vote or consent of the holders of at least 66 2/3% of the shares of Designated Preferred Stock at the time outstanding, voting as a separate class, given in person or by proxy, either in writing without a meeting or by vote at any meeting called for the purpose, shall be necessary for effecting or validating:

(i) Authorization of Senior Stock. Any amendment or alteration of the Articles Supplementary for the Designated Preferred Stock or the Charter to authorize or create or

increase the authorized amount of, or any issuance of, any shares of, or any securities convertible into or exchangeable or exercisable for shares of, any class or series of capital stock of the Corporation ranking senior to Designated Preferred Stock with respect to either or both the payment of dividends and/or the distribution of assets on any liquidation, dissolution or winding up of the Corporation;

(ii) Amendment of Designated Preferred Stock. Any amendment, alteration or repeal of any provision of the Articles Supplementary for the Designated Preferred Stock or the Charter (including, unless no vote on such merger or consolidation is required by Section 7(c)(iii) below, any amendment, alteration or repeal by means of a merger, consolidation or otherwise) so as to adversely affect the rights, preferences, privileges or voting powers of the Designated Preferred Stock; or

(iii) Share Exchanges, Reclassifications, Mergers and Consolidations. Any consummation of a binding share exchange or reclassification involving the Designated Preferred Stock, or of a merger or consolidation of the Corporation with another corporation or other entity, unless in each case (x) the shares of Designated Preferred Stock remain outstanding or, in the case of any such merger or consolidation with respect to which the Corporation is not the surviving or resulting entity, are converted into or exchanged for preference securities of the surviving or resulting entity or its ultimate parent, and (y) such shares remaining outstanding or such preference securities, as the case may be, have such rights, preferences, privileges and voting powers, and limitations and restrictions thereof, taken as a whole, as are not materially less favorable to the holders thereof than the rights, preferences, privileges and voting powers, and limitations and restrictions thereof, of Designated Preferred Stock immediately prior to such consummation, taken as a whole;

provided, however, that for all purposes of this Section 7(c), any increase in the amount of the authorized Preferred Stock, including any increase in the authorized amount of Designated Preferred Stock necessary to satisfy preemptive or similar rights granted by the Corporation to other persons prior to the Signing Date, or the creation and issuance, or an increase in the authorized or issued amount, whether pursuant to preemptive or similar rights or otherwise, of any other series of Preferred Stock, or any securities convertible into or exchangeable or exercisable for any other series of Preferred Stock, ranking equally with and/or junior to Designated Preferred Stock with respect to the payment of dividends (whether such dividends are cumulative or non-cumulative) and the distribution of assets upon liquidation, dissolution or winding up of the Corporation will not be deemed to adversely affect the rights, preferences, privileges or voting powers, and shall not require the affirmative vote or consent of, the holders of outstanding shares of the Designated Preferred Stock.

(d) Changes after Provision for Redemption. No vote or consent of the holders of Designated Preferred Stock shall be required pursuant to Section 7(c) above if, at or prior to the time when any such vote or consent would otherwise be required pursuant to such Section, all outstanding shares of the Designated Preferred Stock shall have been redeemed, or shall have been called for redemption upon proper notice and sufficient funds shall have been deposited in trust for such redemption, in each case pursuant to Section 5 above.

(e) Procedures for Voting and Consents. The rules and procedures for calling and conducting any meeting of the holders of Designated Preferred Stock (including, without limitation, the fixing of a record date in connection therewith), the solicitation and use of proxies at such a meeting, the obtaining of written consents and any other aspect or matter with regard to such a meeting or such consents shall be governed by any rules of the Board of Directors or any duly authorized committee of the Board of Directors, in its discretion, may adopt from time to time, which rules and procedures shall conform to the requirements of the Charter, the Bylaws, and applicable law and the rules of any national securities exchange or other trading facility on which Designated Preferred Stock is listed or traded at the time.

Section 8. Record Holders. To the fullest extent permitted by applicable law, the Corporation and the transfer agent for Designated Preferred Stock may deem and treat the record holder of any share of Designated Preferred Stock as the true and lawful owner thereof for all purposes, and neither the Corporation nor such transfer agent shall be affected by any notice to the contrary.

Section 9. Notices. All notices or communications in respect of Designated Preferred Stock shall be sufficiently given if given in writing and delivered in person or by first class mail, postage prepaid, or if given in such other manner as may be permitted in this Articles Supplementary, in the Charter or Bylaws or by applicable law. Notwithstanding the foregoing, if shares of Designated Preferred Stock are issued in book-entry form through The Depository Trust Corporation or any similar facility, such notices may be given to the holders of Designated Preferred Stock in any manner permitted by such facility.

Section 10. No Preemptive Rights. No share of Designated Preferred Stock shall have any rights of preemption whatsoever as to any securities of the Corporation, or any warrants, rights or options issued or granted with respect thereto, regardless of how such securities, or such warrants, rights or options, may be designated, issued or granted.

Section 11. Replacement Certificates. The Corporation shall replace any mutilated certificate at the holder's expense upon surrender of that certificate to the Corporation. The Corporation shall replace certificates that become destroyed, stolen or lost at the holder's expense upon delivery to the Corporation of reasonably satisfactory evidence that the certificate has been destroyed, stolen or lost, together with any indemnity that may be reasonably required by the Corporation.

Section 12. Other Rights. The shares of Designated Preferred Stock shall not have any rights, preferences, privileges or voting powers or relative, participating, optional or other special rights, or qualifications, limitations or restrictions thereof, other than as set forth herein or in the Charter or as provided by applicable law.

Exhibit 4.1

WARRANT TO PURCHASE COMMON STOCK

THE SECURITIES REPRESENTED BY THIS INSTRUMENT HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR THE SECURITIES LAWS OF ANY STATE AND MAY NOT BE TRANSFERRED, SOLD OR OTHERWISE DISPOSED OF EXCEPT WHILE A REGISTRATION STATEMENT RELATING THERETO IS IN EFFECT UNDER SUCH ACT AND APPLICABLE STATE SECURITIES LAWS OR PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER SUCH ACT OR SUCH LAWS. THIS INSTRUMENT IS ISSUED SUBJECT TO THE RESTRICTIONS ON TRANSFER AND OTHER PROVISIONS OF A SECURITIES PURCHASE AGREEMENT BETWEEN THE ISSUER OF THESE SECURITIES AND THE INVESTOR REFERRED TO THEREIN, A COPY OF WHICH IS ON FILE WITH THE ISSUER. THE SECURITIES REPRESENTED BY THIS INSTRUMENT MAY NOT BE SOLD OR OTHERWISE TRANSFERRED EXCEPT IN COMPLIANCE WITH SAID AGREEMENT. ANY SALE OR OTHER TRANSFER NOT IN COMPLIANCE WITH SAID AGREEMENT WILL BE VOID.

WARRANT
to purchase
770,867
Shares of Common Stock
of Eagle Bancorp, Inc.

Issue Date: December 5, 2008

1. Definitions. Unless the context otherwise requires, when used herein the following terms shall have the meanings indicated.

"*Affiliate*" has the meaning ascribed to it in the Purchase Agreement.

"*Appraisal Procedure*" means a procedure whereby two independent appraisers, one chosen by the Company and one by the Original Warrantholder, shall mutually agree upon the determinations then the subject of appraisal. Each party shall deliver a notice to the other appointing its appraiser within 15 days after the Appraisal Procedure is invoked. If within 30 days after appointment of the two appraisers they are unable to agree upon the amount in question, a third independent appraiser shall be chosen within 10 days thereafter by the mutual consent of such first two appraisers. The decision of the third appraiser so appointed and chosen shall be given within 30 days after the selection of such third appraiser. If three appraisers shall be appointed and the determination of one appraiser is disparate from the middle determination by more than twice the amount by which the other determination is disparate from the middle determination, then the determination of such appraiser shall be excluded, the remaining two determinations shall be averaged and such average shall be binding and conclusive upon the

Company and the Original Warrantholder; otherwise, the average of all three determinations shall be binding upon the Company and the Original Warrantholder. The costs of conducting any Appraisal Procedure shall be borne by the Company.

"*Board of Directors*" means the board of directors of the Company, including any duly authorized committee thereof.

"*Business Combination*" means a merger, consolidation, statutory share exchange or similar transaction that requires the approval of the Company's stockholders.

"*business day*" means any day except Saturday, Sunday and any day on which banking institutions in the State of New York generally are authorized or required by law or other governmental actions to close.

"*Capital Stock*" means (A) with respect to any Person that is a corporation or company, any and all shares, interests, participations or other equivalents (however designated) of capital or capital stock of such Person and (B) with respect to any Person that is not a corporation or company, any and all partnership or other equity interests of such Person.

"*Charter*" means, with respect to any Person, its certificate or articles of incorporation, articles of association, or similar organizational document.

"*Common Stock*" has the meaning ascribed to it in the Purchase Agreement.

"*Company*" means the Person whose name, corporate or other organizational form and jurisdiction of organization is set forth in Item 1 of Schedule A hereto.

"*conversion*" has the meaning set forth in Section 13(B).

"*convertible securities*" has the meaning set forth in Section 13(B).

"*CPP*" has the meaning ascribed to it in the Purchase Agreement.

"*Exchange Act*" means the Securities Exchange Act of 1934, as amended, or any successor statute, and the rules and regulations promulgated thereunder.

"*Exercise Price*" means the amount set forth in Item 2 of Schedule A hereto.

"*Expiration Time*" has the meaning set forth in Section 3.

"*Fair Market Value*" means, with respect to any security or other property, the fair market value of such security or other property as determined by the Board of Directors, acting in good faith or, with respect to Section 14, as determined by the Original Warrantholder acting in good faith. For so long as the Original Warrantholder holds this Warrant or any portion thereof, it may object in writing to the Board of Director's calculation of fair market value within 10 days of receipt of written notice thereof. If the Original Warrantholder and the Company are unable to agree on fair market value during the 10-day period following the delivery of the Original Warrantholder's objection, the Appraisal Procedure may be invoked by either party to

determine Fair Market Value by delivering written notification thereof not later than the 30th day after delivery of the Original Warrantholder's objection.

"*Governmental Entities*" has the meaning ascribed to it in the Purchase Agreement.

"*Initial Number*" has the meaning set forth in Section 13(B).

"Issue Date" means the date set forth in Item 3 of Schedule A hereto.

"*Market Price*" means, with respect to a particular security, on any given day, the last reported sale price regular way or, in case no such reported sale takes place on such day, the average of the last closing bid and ask prices regular way, in either case on the principal national securities exchange on which the applicable securities are listed or admitted to trading, or if not listed or admitted to trading on any national securities exchange, the average of the closing bid and ask prices as furnished by two members of the Financial Industry Regulatory Authority, Inc. selected from time to time by the Company for that purpose. "Market Price" shall be determined without reference to after hours or extended hours trading. If such security is not listed and traded in a manner that the quotations referred to above are available for the period required hereunder, the Market Price per share of Common Stock shall be deemed to be (i) in the event that any portion of the Warrant is held by the Original Warrantholder, the fair market value per share of such security as determined in good faith by the Original Warrantholder or (ii) in all other circumstances, the fair market value per share of such security as determined in good faith by the Board of Directors in reliance on an opinion of a nationally recognized independent investment banking corporation retained by the Company for this purpose and certified in a resolution to the Warrantholder. For the purposes of determining the Market Price of the Common Stock on the "trading day" preceding, on or following the occurrence of an event, (i) that trading day shall be deemed to commence immediately after the regular scheduled closing time of trading on the New York Stock Exchange or, if trading is closed at an earlier time, such earlier time and (ii) that trading day shall end at the next regular scheduled closing time, or if trading is closed at an earlier time, such earlier time (for the avoidance of doubt, and as an example, if the Market Price is to be determined as of the last trading day preceding a specified event and the closing time of trading on a particular day is 4:00 p.m. and the specified event occurs at 5:00 p.m. on that day, the Market Price would be determined by reference to such 4:00 p.m. closing price).

"*Ordinary Cash Dividends*" means a regular quarterly cash dividend on shares of Common Stock out of surplus or net profits legally available therefor (determined in accordance with generally accepted accounting principles in effect from time to time), *provided* that Ordinary Cash Dividends shall not include any cash dividends paid subsequent to the Issue Date to the extent the aggregate per share dividends paid on the outstanding Common Stock in any quarter exceed the amount set forth in Item 4 of Schedule A hereto, as adjusted for any stock split, stock dividend, reverse stock split, reclassification or similar transaction.

"*Original Warrantholder*" means the United States Department of the Treasury. Any actions specified to be taken by the Original Warrantholder hereunder may only be taken by such Person and not by any other Warrantholder.

"*Permitted Transactions*" has the meaning set forth in Section 13(B).

"*Person*" has the meaning given to it in Section 3(a)(9) of the Exchange Act and as used in Sections 13(d)(3) and 14(d)(2) of the Exchange Act.

"*Per Share Fair Market Value*" has the meaning set forth in Section 13(C).

"*Preferred Shares*" means the perpetual preferred stock issued to the Original Warrantholder on the Issue Date pursuant to the Purchase Agreement.

"*Pro Rata Repurchases*" means any purchase of shares of Common Stock by the Company or any Affiliate thereof pursuant to (A) any tender offer or exchange offer subject to Section 13(e) or 14(e) of the Exchange Act or Regulation 14E promulgated thereunder or (B) any other offer available to substantially all holders of Common Stock, in the case of both (A) or (B), whether for cash, shares of Capital Stock of the Company, other securities of the Company, evidences of indebtedness of the Company or any other Person or any other property (including, without limitation, shares of Capital Stock, other securities or evidences of indebtedness of a subsidiary), or any combination thereof, effected while this Warrant is outstanding. The "*Effective Date*" of a Pro Rata Repurchase shall mean the date of acceptance of shares for purchase or exchange by the Company under any tender or exchange offer which is a Pro Rata Repurchase or the date of purchase with respect to any Pro Rata Repurchase that is not a tender or exchange offer.

"*Purchase Agreement*" means the Securities Purchase Agreement – Standard Terms incorporated into the Letter Agreement, dated as of the date set forth in Item 5 of Schedule A hereto, as amended from time to time, between the Company and the United States Department of the Treasury (the "*Letter Agreement*"), including all annexes and schedules thereto.

"*Qualified Equity Offering*" has the meaning ascribed to it in the Purchase Agreement.

"*Regulatory Approvals*" with respect to the Warrantholder, means, to the extent applicable and required to permit the Warrantholder to exercise this Warrant for shares of Common Stock and to own such Common Stock without the Warrantholder being in violation of applicable law, rule or regulation, the receipt of any necessary approvals and authorizations of, filings and registrations with, notifications to, or expiration or termination of any applicable waiting period under, the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, and the rules and regulations thereunder.

"*SEC*" means the U.S. Securities and Exchange Commission.

"*Securities Act*" means the Securities Act of 1933, as amended, or any successor statute, and the rules and regulations promulgated thereunder.

"*Shares*" has the meaning set forth in Section 2.

"*trading day*" means (A) if the shares of Common Stock are not traded on any national or regional securities exchange or association or over-the-counter market, a business day or (B) if the shares of Common Stock are traded on any national or regional securities exchange or

association or over-the-counter market, a business day on which such relevant exchange or quotation system is scheduled to be open for business and on which the shares of Common Stock (i) are not suspended from trading on any national or regional securities exchange or association or over-the-counter market for any period or periods aggregating one half hour or longer; and (ii) have traded at least once on the national or regional securities exchange or association or over-the-counter market that is the primary market for the trading of the shares of Common Stock.

"*U.S. GAAP*" means United States generally accepted accounting principles.

"*Warrantholder*" has the meaning set forth in Section 2.

"*Warrant*" means this Warrant, issued pursuant to the Purchase Agreement.

2. Number of Shares; Exercise Price. This certifies that, for value received, the United States Department of the Treasury or its permitted assigns (the "*Warrantholder*") is entitled, upon the terms and subject to the conditions hereinafter set forth, to acquire from the Company, in whole or in part, after the receipt of all applicable Regulatory Approvals, if any, up to an aggregate of the number of fully paid and nonassessable shares of Common Stock set forth in Item 6 of Schedule A hereto, at a purchase price per share of Common Stock equal to the Exercise Price. The number of shares of Common Stock (the "*Shares*") and the Exercise Price are subject to adjustment as provided herein, and all references to "Common Stock," "Shares" and "Exercise Price" herein shall be deemed to include any such adjustment or series of adjustments.

3. Exercise of Warrant; Term. Subject to Section 2, to the extent permitted by applicable laws and regulations, the right to purchase the Shares represented by this Warrant is exercisable, in whole or in part by the Warrantholder, at any time or from time to time after the execution and delivery of this Warrant by the Company on the date hereof, but in no event later than 5:00 p.m., New York City time on the tenth anniversary of the Issue Date (the "*Expiration Time*"), by (A) the surrender of this Warrant and Notice of Exercise annexed hereto, duly completed and executed on behalf of the Warrantholder, at the principal executive office of the Company located at the address set forth in Item 7 of Schedule A hereto (or such other office or agency of the Company in the United States as it may designate by notice in writing to the Warrantholder at the address of the Warrantholder appearing on the books of the Company), and (B) payment of the Exercise Price for the Shares thereby purchased:

(i) by having the Company withhold, from the shares of Common Stock that would otherwise be delivered to the Warrantholder upon such exercise, shares of Common stock issuable upon exercise of the Warrant equal in value to the aggregate Exercise Price as to which this Warrant is so exercised based on the Market Price of the Common Stock on the trading day on which this Warrant is exercised and the Notice of Exercise is delivered to the Company pursuant to this Section 3, or

(ii) with the consent of both the Company and the Warrantholder, by tendering in cash, by certified or cashier's check payable to the order of the Company, or by wire transfer of immediately available funds to an account designated by the Company.

If the Warrantholder does not exercise this Warrant in its entirety, the Warrantholder will be entitled to receive from the Company within a reasonable time, and in any event not exceeding three business days, a new warrant in substantially identical form for the purchase of that number of Shares equal to the difference between the number of Shares subject to this Warrant and the number of Shares as to which this Warrant is so exercised. Notwithstanding anything in this Warrant to the contrary, the Warrantholder hereby acknowledges and agrees that its exercise of this Warrant for Shares is subject to the condition that the Warrantholder will have first received any applicable Regulatory Approvals.

4. Issuance of Shares; Authorization; Listing. Certificates for Shares issued upon exercise of this Warrant will be issued in such name or names as the Warrantholder may designate and will be delivered to such named Person or Persons within a reasonable time, not to exceed three business days after the date on which this Warrant has been duly exercised in accordance with the terms of this Warrant. The Company hereby represents and warrants that any Shares issued upon the exercise of this Warrant in accordance with the provisions of Section 3 will be duly and validly authorized and issued, fully paid and nonassessable and free from all taxes, liens and charges (other than liens or charges created by the Warrantholder, income and franchise taxes incurred in connection with the exercise of the Warrant or taxes in respect of any transfer occurring contemporaneously therewith). The Company agrees that the Shares so issued will be deemed to have been issued to the Warrantholder as of the close of business on the date on which this Warrant and payment of the Exercise Price are delivered to the Company in accordance with the terms of this Warrant, notwithstanding that the stock transfer books of the Company may then be closed or certificates representing such Shares may not be actually delivered on such date. The Company will at all times reserve and keep available, out of its authorized but unissued Common Stock, solely for the purpose of providing for the exercise of this Warrant, the aggregate number of shares of Common Stock then issuable upon exercise of this Warrant at any time. The Company will (A) procure, at its sole expense, the listing of the Shares issuable upon exercise of this Warrant at any time, subject to issuance or notice of issuance, on all principal stock exchanges on which the Common Stock is then listed or traded and (B) maintain such listings of such Shares at all times after issuance. The Company will use reasonable best efforts to ensure that the Shares may be issued without violation of any applicable law or regulation or of any requirement of any securities exchange on which the Shares are listed or traded.

5. No Fractional Shares or Scrip. No fractional Shares or scrip representing fractional Shares shall be issued upon any exercise of this Warrant. In lieu of any fractional Share to which the Warrantholder would otherwise be entitled, the Warrantholder shall be entitled to receive a cash payment equal to the Market Price of the Common Stock on the last trading day preceding the date of exercise less the pro-rated Exercise Price for such fractional share.

6. No Rights as Stockholders; Transfer Books. This Warrant does not entitle the Warrantholder to any voting rights or other rights as a stockholder of the Company prior to the date of exercise hereof. The Company will at no time close its transfer books against transfer of this Warrant in any manner which interferes with the timely exercise of this Warrant.

7. Charges, Taxes and Expenses. Issuance of certificates for Shares to the Warrantholder upon the exercise of this Warrant shall be made without charge to the Warrantholder for any issue or transfer tax or other incidental expense in respect of the issuance of such certificates, all of which taxes and expenses shall be paid by the Company.

8. Transfer/Assignment.

(A) Subject to compliance with clause (B) of this Section 8, this Warrant and all rights hereunder are transferable, in whole or in part, upon the books of the Company by the registered holder hereof in person or by duly authorized attorney, and a new warrant shall be made and delivered by the Company, of the same tenor and date as this Warrant but registered in the name of one or more transferees, upon surrender of this Warrant, duly endorsed, to the office or agency of the Company described in Section 3. All expenses (other than stock transfer taxes) and other charges payable in connection with the preparation, execution and delivery of the new warrants pursuant to this Section 8 shall be paid by the Company.

(B) The transfer of the Warrant and the Shares issued upon exercise of the Warrant are subject to the restrictions set forth in Section 4.4 of the Purchase Agreement. If and for so long as required by the Purchase Agreement, this Warrant shall contain the legends as set forth in Sections 4.2(a) and 4.2(b) of the Purchase Agreement.

9. Exchange and Registry of Warrant. This Warrant is exchangeable, upon the surrender hereof by the Warrantholder to the Company, for a new warrant or warrants of like tenor and representing the right to purchase the same aggregate number of Shares. The Company shall maintain a registry showing the name and address of the Warrantholder as the registered holder of this Warrant. This Warrant may be surrendered for exchange or exercise in accordance with its terms, at the office of the Company, and the Company shall be entitled to rely in all respects, prior to written notice to the contrary, upon such registry.

10. Loss, Theft, Destruction or Mutilation of Warrant. Upon receipt by the Company of evidence reasonably satisfactory to it of the loss, theft, destruction or mutilation of this Warrant, and in the case of any such loss, theft or destruction, upon receipt of a bond, indemnity or security reasonably satisfactory to the Company, or, in the case of any such mutilation, upon surrender and cancellation of this Warrant, the Company shall make and deliver, in lieu of such lost, stolen, destroyed or mutilated Warrant, a new Warrant of like tenor and representing the right to purchase the same aggregate number of Shares as provided for in such lost, stolen, destroyed or mutilated Warrant.

11. Saturdays, Sundays, Holidays, etc. If the last or appointed day for the taking of any action or the expiration of any right required or granted herein shall not be a business day, then such action may be taken or such right may be exercised on the next succeeding day that is a business day.

12. Rule 144 Information. The Company covenants that it will use its reasonable best efforts to timely file all reports and other documents required to be filed by it under the Securities Act and the Exchange Act and the rules and regulations promulgated by the SEC thereunder (or, if the Company is not required to file such reports, it will, upon the request of any

Warrantholder, make publicly available such information as necessary to permit sales pursuant to Rule 144 under the Securities Act), and it will use reasonable best efforts to take such further action as any Warrantholder may reasonably request, in each case to the extent required from time to time to enable such holder to, if permitted by the terms of this Warrant and the Purchase Agreement, sell this Warrant without registration under the Securities Act within the limitation of the exemptions provided by (A) Rule 144 under the Securities Act, as such rule may be amended from time to time, or (B) any successor rule or regulation hereafter adopted by the SEC. Upon the written request of any Warrantholder, the Company will deliver to such Warrantholder a written statement that it has complied with such requirements.

13. Adjustments and Other Rights. The Exercise Price and the number of Shares issuable upon exercise of this Warrant shall be subject to adjustment from time to time as follows; *provided*, that if more than one subsection of this Section 13 is applicable to a single event, the subsection shall be applied that produces the largest adjustment and no single event shall cause an adjustment under more than one subsection of this Section 13 so as to result in duplication:

(A) Stock Splits, Subdivisions, Reclassifications or Combinations. If the Company shall (i) declare and pay a dividend or make a distribution on its Common Stock in shares of Common Stock, (ii) subdivide or reclassify the outstanding shares of Common Stock into a greater number of shares, or (iii) combine or reclassify the outstanding shares of Common Stock into a smaller number of shares, the number of Shares issuable upon exercise of this Warrant at the time of the record date for such dividend or distribution or the effective date of such subdivision, combination or reclassification shall be proportionately adjusted so that the Warrantholder after such date shall be entitled to purchase the number of shares of Common Stock which such holder would have owned or been entitled to receive in respect of the shares of Common Stock subject to this Warrant after such date had this Warrant been exercised immediately prior to such date. In such event, the Exercise Price in effect at the time of the record date for such dividend or distribution or the effective date of such subdivision, combination or reclassification shall be adjusted to the number obtained by dividing (x) the product of (1) the number of Shares issuable upon the exercise of this Warrant before such adjustment and (2) the Exercise Price in effect immediately prior to the record or effective date, as the case may be, for the dividend, distribution, subdivision, combination or reclassification giving rise to this adjustment by (y) the new number of Shares issuable upon exercise of the Warrant determined pursuant to the immediately preceding sentence.

(B) Certain Issuances of Common Shares or Convertible Securities. Until the earlier of (i) the date on which the Original Warrantholder no longer holds this Warrant or any portion thereof and (ii) the third anniversary of the Issue Date, if the Company shall issue shares of Common Stock (or rights or warrants or other securities exercisable or convertible into or exchangeable (collectively, a "*conversion*") for shares of Common Stock) (collectively, "*convertible securities*") (other than in Permitted Transactions (as defined below) or a transaction to which subsection (A) of this Section 13 is applicable) without consideration or at a consideration per share (or having a conversion price per share) that is less than 90% of the Market Price on the last trading day preceding the date of the agreement on pricing such shares (or such convertible securities) then, in such event:

(A) the number of Shares issuable upon the exercise of this Warrant immediately prior to the date of the agreement on pricing of such shares (or of such convertible securities) (the "*Initial Number*") shall be increased to the number obtained by multiplying the Initial Number by a fraction (A) the numerator of which shall be the sum of (x) the number of shares of Common Stock of the Company outstanding on such date and (y) the number of additional shares of Common Stock issued (or into which convertible securities may be exercised or convert) and (B) the denominator of which shall be the sum of (I) the number of shares of Common Stock outstanding on such date and (II) the number of shares of Common Stock which the aggregate consideration receivable by the Company for the total number of shares of Common Stock so issued (or into which convertible securities may be exercised or convert) would purchase at the Market Price on the last trading day preceding the date of the agreement on pricing such shares (or such convertible securities); and

(B) the Exercise Price payable upon exercise of the Warrant shall be adjusted by multiplying such Exercise Price in effect immediately prior to the date of the agreement on pricing of such shares (or of such convertible securities) by a fraction, the numerator of which shall be the number of shares of Common Stock issuable upon exercise of this Warrant prior to such date and the denominator of which shall be the number of shares of Common Stock issuable upon exercise of this Warrant immediately after the adjustment described in clause (A) above.

For purposes of the foregoing, the aggregate consideration receivable by the Company in connection with the issuance of such shares of Common Stock or convertible securities shall be deemed to be equal to the sum of the net offering price (including the Fair Market Value of any non-cash consideration and after deduction of any related expenses payable to third parties) of all such securities plus the minimum aggregate amount, if any, payable upon exercise or conversion of any such convertible securities into shares of Common Stock; and "*Permitted Transactions*" shall mean issuances (i) as consideration for or to fund the acquisition of businesses and/or related assets, (ii) in connection with employee benefit plans and compensation related arrangements in the ordinary course and consistent with past practice approved by the Board of Directors, (iii) in connection with a public or broadly marketed offering and sale of Common Stock or convertible securities for cash conducted by the Company or its affiliates pursuant to registration under the Securities Act or Rule 144A thereunder on a basis consistent with capital raising transactions by comparable financial institutions and (iv) in connection with the exercise of preemptive rights on terms existing as of the Issue Date. Any adjustment made pursuant to this Section 13(B) shall become effective immediately upon the date of such issuance.

(C) Other Distributions. In case the Company shall fix a record date for the making of a distribution to all holders of shares of its Common Stock of securities, evidences of indebtedness, assets, cash, rights or warrants (excluding Ordinary Cash Dividends, dividends of its Common Stock and other dividends or distributions referred to in Section 13(A)), in each such case, the Exercise Price in effect prior to such record date shall be reduced immediately thereafter to the price determined by multiplying the Exercise Price in effect immediately prior to the reduction by the quotient of (x) the Market Price of the Common Stock on the last trading day preceding the first date on which the Common Stock trades regular way on the principal

national securities exchange on which the Common Stock is listed or admitted to trading without the right to receive such distribution, minus the amount of cash and/or the Fair Market Value of the securities, evidences of indebtedness, assets, rights or warrants to be so distributed in respect of one share of Common Stock (such amount and/or Fair Market Value, the "*Per Share Fair Market Value*") divided by (y) such Market Price on such date specified in clause (x); such adjustment shall be made successively whenever such a record date is fixed. In such event, the number of Shares issuable upon the exercise of this Warrant shall be increased to the number obtained by dividing (x) the product of (1) the number of Shares issuable upon the exercise of this Warrant before such adjustment, and (2) the Exercise Price in effect immediately prior to the distribution giving rise to this adjustment by (y) the new Exercise Price determined in accordance with the immediately preceding sentence. In the case of adjustment for a cash dividend that is, or is coincident with, a regular quarterly cash dividend, the Per Share Fair Market Value would be reduced by the per share amount of the portion of the cash dividend that would constitute an Ordinary Cash Dividend. In the event that such distribution is not so made, the Exercise Price and the number of Shares issuable upon exercise of this Warrant then in effect shall be readjusted, effective as of the date when the Board of Directors determines not to distribute such shares, evidences of indebtedness, assets, rights, cash or warrants, as the case may be, to the Exercise Price that would then be in effect and the number of Shares that would then be issuable upon exercise of this Warrant if such record date had not been fixed.

(D) Certain Repurchases of Common Stock. In case the Company effects a Pro Rata Repurchase of Common Stock, then the Exercise Price shall be reduced to the price determined by multiplying the Exercise Price in effect immediately prior to the Effective Date of such Pro Rata Repurchase by a fraction of which the numerator shall be (i) the product of (x) the number of shares of Common Stock outstanding immediately before such Pro Rata Repurchase and (y) the Market Price of a share of Common Stock on the trading day immediately preceding the first public announcement by the Company or any of its Affiliates of the intent to effect such Pro Rata Repurchase, minus (ii) the aggregate purchase price of the Pro Rata Repurchase, and of which the denominator shall be the product of (i) the number of shares of Common Stock outstanding immediately prior to such Pro Rata Repurchase minus the number of shares of Common Stock so repurchased and (ii) the Market Price per share of Common Stock on the trading day immediately preceding the first public announcement by the Company or any of its Affiliates of the intent to effect such Pro Rata Repurchase. In such event, the number of shares of Common Stock issuable upon the exercise of this Warrant shall be increased to the number obtained by dividing (x) the product of (1) the number of Shares issuable upon the exercise of this Warrant before such adjustment, and (2) the Exercise Price in effect immediately prior to the Pro Rata Repurchase giving rise to this adjustment by (y) the new Exercise Price determined in accordance with the immediately preceding sentence. For the avoidance of doubt, no increase to the Exercise Price or decrease in the number of Shares issuable upon exercise of this Warrant shall be made pursuant to this Section 13(D).

(E) Business Combinations. In case of any Business Combination or reclassification of Common Stock (other than a reclassification of Common Stock referred to in Section 13(A)), the Warrantholder's right to receive Shares upon exercise of this Warrant shall be converted into the right to exercise this Warrant to acquire the number of shares of stock or other securities or property (including cash) which the Common Stock issuable (at the time of such Business Combination or reclassification) upon exercise of this Warrant immediately prior to such

Business Combination or reclassification would have been entitled to receive upon consummation of such Business Combination or reclassification; and in any such case, if necessary, the provisions set forth herein with respect to the rights and interests thereafter of the Warrantholder shall be appropriately adjusted so as to be applicable, as nearly as may reasonably be, to the Warrantholder's right to exercise this Warrant in exchange for any shares of stock or other securities or property pursuant to this paragraph. In determining the kind and amount of stock, securities or the property receivable upon exercise of this Warrant following the consummation of such Business Combination, if the holders of Common Stock have the right to elect the kind or amount of consideration receivable upon consummation of such Business Combination, then the consideration that the Warrantholder shall be entitled to receive upon exercise shall be deemed to be the types and amounts of consideration received by the majority of all holders of the shares of common stock that affirmatively make an election (or of all such holders if none make an election).

(F) Rounding of Calculations; Minimum Adjustments. All calculations under this Section 13 shall be made to the nearest one-tenth (1/10th) of a cent or to the nearest one-hundredth (1/100th) of a share, as the case may be. Any provision of this Section 13 to the contrary notwithstanding, no adjustment in the Exercise Price or the number of Shares into which this Warrant is exercisable shall be made if the amount of such adjustment would be less than $0.01 or one-tenth (1/10th) of a share of Common Stock, but any such amount shall be carried forward and an adjustment with respect thereto shall be made at the time of and together with any subsequent adjustment which, together with such amount and any other amount or amounts so carried forward, shall aggregate $0.01 or 1/10th of a share of Common Stock, or more.

(G) Timing of Issuance of Additional Common Stock Upon Certain Adjustments. In any case in which the provisions of this Section 13 shall require that an adjustment shall become effective immediately after a record date for an event, the Company may defer until the occurrence of such event (i) issuing to the Warrantholder of this Warrant exercised after such record date and before the occurrence of such event the additional shares of Common Stock issuable upon such exercise by reason of the adjustment required by such event over and above the shares of Common Stock issuable upon such exercise before giving effect to such adjustment and (ii) paying to such Warrantholder any amount of cash in lieu of a fractional share of Common Stock; *provided, however*, that the Company upon request shall deliver to such Warrantholder a due bill or other appropriate instrument evidencing such Warrantholder's right to receive such additional shares, and such cash, upon the occurrence of the event requiring such adjustment.

(H) Completion of Qualified Equity Offering. In the event the Company (or any successor by Business Combination) completes one or more Qualified Equity Offerings on or prior to December 31, 2009 that result in the Company (or any such successor) receiving aggregate gross proceeds of not less than 100% of the aggregate liquidation preference of the Preferred Shares (and any preferred stock issued by any such successor to the Original Warrantholder under the CPP), the number of shares of Common Stock underlying the portion of this Warrant then held by the Original Warrantholder shall be thereafter reduced by a number of shares of Common Stock equal to the product of (i) 0.5 and (ii) the number of shares underlying the Warrant on the Issue Date (adjusted to take into account all other theretofore made adjustments pursuant to this Section 13).

(I) Other Events. For so long as the Original Warrantholder holds this Warrant or any portion thereof, if any event occurs as to which the provisions of this Section 13 are not strictly applicable or, if strictly applicable, would not, in the good faith judgment of the Board of Directors of the Company, fairly and adequately protect the purchase rights of the Warrants in accordance with the essential intent and principles of such provisions, then the Board of Directors shall make such adjustments in the application of such provisions, in accordance with such essential intent and principles, as shall be reasonably necessary, in the good faith opinion of the Board of Directors, to protect such purchase rights as aforesaid. The Exercise Price or the number of Shares into which this Warrant is exercisable shall not be adjusted in the event of a change in the par value of the Common Stock or a change in the jurisdiction of incorporation of the Company.

(J) Statement Regarding Adjustments. Whenever the Exercise Price or the number of Shares into which this Warrant is exercisable shall be adjusted as provided in Section 13, the Company shall forthwith file at the principal office of the Company a statement showing in reasonable detail the facts requiring such adjustment and the Exercise Price that shall be in effect and the number of Shares into which this Warrant shall be exercisable after such adjustment, and the Company shall also cause a copy of such statement to be sent by mail, first class postage prepaid, to each Warrantholder at the address appearing in the Company's records.

(K) Notice of Adjustment Event. In the event that the Company shall propose to take any action of the type described in this Section 13 (but only if the action of the type described in this Section 13 would result in an adjustment in the Exercise Price or the number of Shares into which this Warrant is exercisable or a change in the type of securities or property to be delivered upon exercise of this Warrant), the Company shall give notice to the Warrantholder, in the manner set forth in Section 13(J), which notice shall specify the record date, if any, with respect to any such action and the approximate date on which such action is to take place. Such notice shall also set forth the facts with respect thereto as shall be reasonably necessary to indicate the effect on the Exercise Price and the number, kind or class of shares or other securities or property which shall be deliverable upon exercise of this Warrant. In the case of any action which would require the fixing of a record date, such notice shall be given at least 10 days prior to the date so fixed, and in case of all other action, such notice shall be given at least 15 days prior to the taking of such proposed action. Failure to give such notice, or any defect therein, shall not affect the legality or validity of any such action.

(L) Proceedings Prior to Any Action Requiring Adjustment. As a condition precedent to the taking of any action which would require an adjustment pursuant to this Section 13, the Company shall take any action which may be necessary, including obtaining regulatory, New York Stock Exchange, NASDAQ Stock Market or other applicable national securities exchange or stockholder approvals or exemptions, in order that the Company may thereafter validly and legally issue as fully paid and nonassessable all shares of Common Stock that the Warrantholder is entitled to receive upon exercise of this Warrant pursuant to this Section 13.

(M) Adjustment Rules. Any adjustments pursuant to this Section 13 shall be made successively whenever an event referred to herein shall occur. If an adjustment in Exercise Price made hereunder would reduce the Exercise Price to an amount below par value of the Common Stock, then such adjustment in Exercise Price made hereunder shall reduce the Exercise Price to the par value of the Common Stock.

14. Exchange. At any time following the date on which the shares of Common Stock of the Company are no longer listed or admitted to trading on a national securities exchange (other than in connection with any Business Combination), the Original Warrantholder may cause the Company to exchange all or a portion of this Warrant for an economic interest (to be determined by the Original Warrantholder after consultation with the Company) of the Company classified as permanent equity under U.S. GAAP having a value equal to the Fair Market Value of the portion of the Warrant so exchanged. The Original Warrantholder shall calculate any Fair Market Value required to be calculated pursuant to this Section 14, which shall not be subject to the Appraisal Procedure.

15. No Impairment. The Company will not, by amendment of its Charter or through any reorganization, transfer of assets, consolidation, merger, dissolution, issue or sale of securities or any other voluntary action, avoid or seek to avoid the observance or performance of any of the terms to be observed or performed hereunder by the Company, but will at all times in good faith assist in the carrying out of all the provisions of this Warrant and in taking of all such action as may be necessary or appropriate in order to protect the rights of the Warrantholder.

16. Governing Law. **This Warrant will be governed by and construed in accordance with the federal law of the United States if and to the extent such law is applicable, and otherwise in accordance with the laws of the State of New York applicable to contracts made and to be performed entirely within such State. Each of the Company and the Warrantholder agrees (a) to submit to the exclusive jurisdiction and venue of the United States District Court for the District of Columbia for any civil action, suit or proceeding arising out of or relating to this Warrant or the transactions contemplated hereby, and (b) that notice may be served upon the Company at the address in Section 20 below and upon the Warrantholder at the address for the Warrantholder set forth in the registry maintained by the Company pursuant to Section 9 hereof. To the extent permitted by applicable law, each of the Company and the Warrantholder hereby unconditionally waives trial by jury in any civil legal action or proceeding relating to the Warrant or the transactions contemplated hereby or thereby.**

17. Binding Effect. This Warrant shall be binding upon any successors or assigns of the Company.

18. Amendments. This Warrant may be amended and the observance of any term of this Warrant may be waived only with the written consent of the Company and the Warrantholder.

19. Prohibited Actions. The Company agrees that it will not take any action which would entitle the Warrantholder to an adjustment of the Exercise Price if the total number of shares of Common Stock issuable after such action upon exercise of this Warrant, together with

all shares of Common Stock then outstanding and all shares of Common Stock then issuable upon the exercise of all outstanding options, warrants, conversion and other rights, would exceed the total number of shares of Common Stock then authorized by its Charter.

20. Notices. Any notice, request, instruction or other document to be given hereunder by any party to the other will be in writing and will be deemed to have been duly given (a) on the date of delivery if delivered personally, or by facsimile, upon confirmation of receipt, or (b) on the second business day following the date of dispatch if delivered by a recognized next day courier service. All notices hereunder shall be delivered as set forth in Item 8 of Schedule A hereto, or pursuant to such other instructions as may be designated in writing by the party to receive such notice.

21. Entire Agreement. This Warrant, the forms attached hereto and Schedule A hereto (the terms of which are incorporated by reference herein), and the Letter Agreement (including all documents incorporated therein), contain the entire agreement between the parties with respect to the subject matter hereof and supersede all prior and contemporaneous arrangements or undertakings with respect thereto.

[Remainder of page intentionally left blank]

[Form of Notice of Exercise]

Date: _____

TO: Eagle Bancorp, Inc.

RE: Election to Purchase Common Stock

The undersigned, pursuant to the provisions set forth in the attached Warrant, hereby agrees to subscribe for and purchase the number of shares of the Common Stock set forth below covered by such Warrant. The undersigned, in accordance with Section 3 of the Warrant, hereby agrees to pay the aggregate Exercise Price for such shares of Common Stock in the manner set forth below. A new warrant evidencing the remaining shares of Common Stock covered by such Warrant, but not yet subscribed for and purchased, if any, should be issued in the name set forth below.

Number of Shares of Common Stock _____

Method of Payment of Exercise Price (note if cashless exercise pursuant to Section 3(i) of the Warrant or cash exercise pursuant to Section 3(ii) of the Warrant, with consent of the Company and the Warrantholder) _____

Aggregate Exercise Price: _____

Holder: _____
By: _____
Name: _____
Title: _____

IN WITNESS WHEREOF, the Company has caused this Warrant to be duly executed by a duly authorized officer.

Dated: _____

EAGLE BANCORP, INC.

By: _____
Name: Ronald D. Paul
Title: President and Chief Executive Officer

Attest:

By: _____
Name: Jane E. Cornett
Title: Corporate Secretary

[Signature Page to Warrant]

SCHEDULE A

Item 1
Name: Eagle Bancorp, Inc.
Corporate or other organizational form: Corporation
Jurisdiction of organization: Maryland

Item 2
Exercise Price: $7.44(1)

Item 3
Issue Date: December 5, 2008

Item 4
Amount of last dividend declared prior to the Issue Date: $0.00

Item 5
Date of Letter Agreement between the Company and the United States Department of the Treasury: December 5, 2008

Item 6
Number of shares of Common Stock: 770,867

Item 7
Company's address: 7815 Woodmont Avenue, Bethesda, Maryland 20814

Item 8

Notice information:	Michael T. Flynn Chief Operating Officer Eagle Bancorp, Inc. 7815 Woodmont Avenue Bethesda, Maryland 20814 240.497.2040 (phone) mflynn@eaglebankcorp.com
with a copy to:	Noel M. Gruber, Esquire Kennedy & Baris, LLP 4701 Sangamore Road, Suite P-15 Bethesda, Maryland 20816 301.229.3400 (x18); 301.229.2443 (fax) nmgruber@kennedybaris.com

(1) Initial exercise price to be calculated based on the average of closing prices of the Common Stock on the 20 trading days ending on the last trading day prior to the date the Company's application for participation in the Capital Purchase Program was approved by the United States Department of the Treasury.

Exhibit 10.1

UNITED STATES DEPARTMENT OF THE TREASURY
1500 PENNSYLVANIA AVENUE, NW
WASHINGTON, D.C. 20220

Dear Ladies and Gentlemen:

The company set forth on the signature page hereto (the "*Company*") intends to issue in a private placement the number of shares of a series of its preferred stock set forth on Schedule A hereto (the "*Preferred Shares*") and a warrant to purchase the number of shares of its common stock set forth on Schedule A hereto (the "*Warrant*" and, together with the Preferred Shares, the "*Purchased Securities*") and the United States Department of the Treasury (the "*Investor*") intends to purchase from the Company the Purchased Securities.

The purpose of this letter agreement is to confirm the terms and conditions of the purchase by the Investor of the Purchased Securities. Except to the extent supplemented or superseded by the terms set forth herein or in the Schedules hereto, the provisions contained in the Securities Purchase Agreement – Standard Terms attached hereto as Exhibit A (the "*Securities Purchase Agreement*") are incorporated by reference herein. Terms that are defined in the Securities Purchase Agreement are used in this letter agreement as so defined. In the event of any inconsistency between this letter agreement and the Securities Purchase Agreement, the terms of this letter agreement shall govern.

Each of the Company and the Investor hereby confirms its agreement with the other party with respect to the issuance by the Company of the Purchased Securities and the purchase by the Investor of the Purchased Securities pursuant to this letter agreement and the Securities Purchase Agreement on the terms specified on Schedule A hereto.

This letter agreement (including the Schedules hereto) and the Securities Purchase Agreement (including the Annexes thereto) and the Warrant constitute the entire agreement, and supersede all other prior agreements, understandings, representations and warranties, both written and oral, between the parties, with respect to the subject matter hereof. This letter agreement constitutes the "Letter Agreement" referred to in the Securities Purchase Agreement.

This letter agreement may be executed in any number of separate counterparts, each such counterpart being deemed to be an original instrument, and all such counterparts will together constitute the same agreement. Executed signature pages to this letter agreement may be delivered by facsimile and such facsimiles will be deemed as sufficient as if actual signature pages had been delivered.

* * *

IN WITNESS WHEREOF, this letter agreement has been duly executed and delivered by the duly authorized representatives of the parties hereto as of the date written below.

UNITED STATES DEPARTMENT OF THE TREASURY

By: /s/ Neel Kashkari
Name: Neel Kashkari
Title: Interim Assistant Secretary for Financial Stability

EAGLE BANCORP, INC.

By: /s/ Ronald D. Paul
Name: Ronald D. Paul
Title: President and Chief Executive Officer

Date: December 5, 2008

EXHIBIT A

SECURITIES PURCHASE AGREEMENT

STANDARD TERMS

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Miscellaneous

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SECURITIES PURCHASE AGREEMENT – STANDARD TERMS

Recitals:

WHEREAS, the United States Department of the Treasury (the "*Investor*") may from time to time agree to purchase shares of preferred stock and warrants from eligible financial institutions which elect to participate in the Troubled Asset Relief Program Capital Purchase Program ("*CPP*");

WHEREAS, an eligible financial institution electing to participate in the CPP and issue securities to the Investor (referred to herein as the "*Company*") shall enter into a letter agreement (the "*Letter Agreement*") with the Investor which incorporates this Securities Purchase Agreement – Standard Terms;

WHEREAS, the Company agrees to expand the flow of credit to U.S. consumers and businesses on competitive terms to promote the sustained growth and vitality of the U.S. economy;

WHEREAS, the Company agrees to work diligently, under existing programs, to modify the terms of residential mortgages as appropriate to strengthen the health of the U.S. housing market;

WHEREAS, the Company intends to issue in a private placement the number of shares of the series of its Preferred Stock ("*Preferred Stock*") set forth on Schedule A to the Letter Agreement (the "*Preferred Shares*") and a warrant to purchase the number of shares of its Common Stock ("*Common Stock*") set forth on Schedule A to the Letter Agreement (the "*Initial Warrant Shares*") (the "*Warrant*" and, together with the Preferred Shares, the "*Purchased Securities*") and the Investor intends to purchase (the "*Purchase*") from the Company the Purchased Securities; and

WHEREAS, the Purchase will be governed by this Securities Purchase Agreement – Standard Terms and the Letter Agreement, including the schedules thereto (the "*Schedules*"), specifying additional terms of the Purchase. This Securities Purchase Agreement – Standard Terms (including the Annexes hereto) and the Letter Agreement (including the Schedules thereto) are together referred to as this "Agreement". All references in this Securities Purchase Agreement – Standard Terms to "Schedules" are to the Schedules attached to the Letter Agreement.

NOW, THEREFORE, in consideration of the premises, and of the representations, warranties, covenants and agreements set forth herein, the parties agree as follows:

Article I

Purchase; Closing

1.1 Purchase. On the terms and subject to the conditions set forth in this Agreement, the Company agrees to sell to the Investor, and the Investor agrees to purchase from the Company, at the Closing (as hereinafter defined), the Purchased Securities for the price set forth on Schedule A (the "*Purchase Price*").

1.2 Closing.

(a) On the terms and subject to the conditions set forth in this Agreement, the closing of the Purchase (the "*Closing*") will take place at the location specified in Schedule A, at the time and on the date set forth in Schedule A or as soon as practicable thereafter, or at such other place, time and date as shall be agreed between the Company and the Investor. The time and date on which the Closing occurs is referred to in this Agreement as the "*Closing Date*".

(b) Subject to the fulfillment or waiver of the conditions to the Closing in this Section 1.2, at the Closing the Company will deliver the Preferred Shares and the Warrant, in each case as evidenced by one or more certificates dated the Closing Date and bearing appropriate legends as hereinafter provided for, in exchange for payment in full of the Purchase Price by wire transfer of immediately available United States funds to a bank account designated by the Company on Schedule A.

(c) The respective obligations of each of the Investor and the Company to consummate the Purchase are subject to the fulfillment (or waiver by the Investor and the Company, as applicable) prior to the Closing of the conditions that (i) any approvals or authorizations of all United States and other governmental, regulatory or judicial authorities (collectively, "*Governmental Entities*") required for the consummation of the Purchase shall have been obtained or made in form and substance reasonably satisfactory to each party and shall be in full force and effect and all waiting periods required by United States and other applicable law, if any, shall have expired and (ii) no provision of any applicable United States or other law and no judgment, injunction, order or decree of any Governmental Entity shall prohibit the purchase and sale of the Purchased Securities as contemplated by this Agreement.

(d) The obligation of the Investor to consummate the Purchase is also subject to the fulfillment (or waiver by the Investor) at or prior to the Closing of each of the following conditions:

(i) (A) the representations and warranties of the Company set forth in (x) Section 2.2(g) of this Agreement shall be true and correct in all respects as though made on and as of the Closing Date, (y) Sections 2.2(a) through (f) shall be true and correct in all material respects as though made on and as of the Closing Date (other than representations and warranties that by their terms speak as of another date, which representations and warranties shall be true and correct in all material respects as of such other date) and (z) Sections 2.2(h) through (v) (disregarding all qualifications or limitations set forth in such representations and warranties as to "materiality", "Company Material Adverse Effect" and words of similar import) shall be true and correct as though made on and as of the Closing Date (other than representations and warranties that by their terms speak as of another date, which representations and warranties shall be true and correct as of such other date), except to the extent that the failure of such representations and warranties referred to in this Section 1.2(d)(i)(A)(z) to be so true and correct, individually or in the aggregate, does not have and would not reasonably be expected to have a Company Material Adverse Effect and (B) the Company shall have

performed in all material respects all obligations required to be performed by it under this Agreement at or prior to the Closing;

(ii) the Investor shall have received a certificate signed on behalf of the Company by a senior executive officer certifying to the effect that the conditions set forth in Section 1.2(d)(i) have been satisfied;

(iii) the Company shall have duly adopted and filed with the Secretary of State of its jurisdiction of organization or other applicable Governmental Entity the amendment to its certificate or articles of incorporation, articles of association, or similar organizational document ("*Charter*") in substantially the form attached hereto as Annex A (the "*Certificate of Designations*") and such filing shall have been accepted;

(iv) (A) the Company shall have effected such changes to its compensation, bonus, incentive and other benefit plans, arrangements and agreements (including golden parachute, severance and employment agreements) (collectively, "*Benefit Plans*") with respect to its Senior Executive Officers (and to the extent necessary for such changes to be legally enforceable, each of its Senior Executive Officers shall have duly consented in writing to such changes), as may be necessary, during the period that the Investor owns any debt or equity securities of the Company acquired pursuant to this Agreement or the Warrant, in order to comply with Section 111(b) of the Emergency Economic Stabilization Act of 2008 ("*EESA*") as implemented by guidance or regulation thereunder that has been issued and is in effect as of the Closing Date, and (B) the Investor shall have received a certificate signed on behalf of the Company by a senior executive officer certifying to the effect that the condition set forth in Section 1.2(d)(iv)(A) has been satisfied;

(v) each of the Company's Senior Executive Officers shall have delivered to the Investor a written waiver in the form attached hereto as Annex B releasing the Investor from any claims that such Senior Executive Officers may otherwise have as a result of the issuance, on or prior to the Closing Date, of any regulations which require the modification of, and the agreement of the Company hereunder to modify, the terms of any Benefit Plans with respect to its Senior Executive Officers to eliminate any provisions of such Benefit Plans that would not be in compliance with the requirements of Section 111(b) of the EESA as implemented by guidance or regulation thereunder that has been issued and is in effect as of the Closing Date;

(vi) the Company shall have delivered to the Investor a written opinion from counsel to the Company (which may be internal counsel), addressed to the Investor and dated as of the Closing Date, in substantially the form attached hereto as Annex C;

(vii) the Company shall have delivered certificates in proper form or, with the prior consent of the Investor, evidence of shares in book-entry form, evidencing the Preferred Shares to Investor or its designee(s); and

(viii) the Company shall have duly executed the Warrant in substantially the form attached hereto as Annex D and delivered such executed Warrant to the Investor or its designee(s).

1.3 Interpretation. When a reference is made in this Agreement to "Recitals," "Articles," "Sections," or "Annexes" such reference shall be to a Recital, Article or Section of, or Annex to, this Securities Purchase Agreement – Standard Terms, and a reference to "Schedules" shall be to a Schedule to the Letter Agreement, in each case, unless otherwise indicated. The terms defined in the singular have a comparable meaning when used in the plural, and vice versa. References to "herein", "hereof", "hereunder" and the like refer to this Agreement as a whole and not to any particular section or provision, unless the context requires otherwise. The table of contents and headings contained in this Agreement are for reference purposes only and are not part of this Agreement. Whenever the words "include," "includes" or "including" are used in this Agreement, they shall be deemed followed by the words "without limitation." No rule of construction against the draftsperson shall be applied in connection with the interpretation or enforcement of this Agreement, as this Agreement is the product of negotiation between sophisticated parties advised by counsel. All references to "$" or "dollars" mean the lawful currency of the United States of America. Except as expressly stated in this Agreement, all references to any statute, rule or regulation are to the statute, rule or regulation as amended, modified, supplemented or replaced from time to time (and, in the case of statutes, include any rules and regulations promulgated under the statute) and to any section of any statute, rule or regulation include any successor to the section. References to a "*business day*" shall mean any day except Saturday, Sunday and any day on which banking institutions in the State of New York generally are authorized or required by law or other governmental actions to close.

Article II

Representations and Warranties

2.1 Disclosure.

(a) "*Company Material Adverse Effect*" means a material adverse effect on (i) the business, results of operation or financial condition of the Company and its consolidated subsidiaries taken as a whole; *provided, however*, that Company Material Adverse Effect shall not be deemed to include the effects of (A) changes after the date of the Letter Agreement (the "*Signing Date*") in general business, economic or market conditions (including changes generally in prevailing interest rates, credit availability and liquidity, currency exchange rates and price levels or trading volumes in the United States or foreign securities or credit markets), or any outbreak or escalation of hostilities, declared or undeclared acts of war or terrorism, in each case generally affecting the industries in which the Company and its subsidiaries operate, (B) changes or proposed changes after the Signing Date in generally accepted accounting principles in the United States ("*GAAP*") or regulatory accounting requirements, or authoritative interpretations thereof, (C) changes or proposed changes after the Signing Date in securities, banking and other laws of general applicability or related policies or interpretations of Governmental Entities (in the case of each of these clauses (A), (B) and (C), other than changes

or occurrences to the extent that such changes or occurrences have or would reasonably be expected to have a materially disproportionate adverse effect on the Company and its consolidated subsidiaries taken as a whole relative to comparable U.S. banking or financial services organizations), or (D) changes in the market price or trading volume of the Common Stock or any other equity, equity-related or debt securities of the Company or its consolidated subsidiaries (it being understood and agreed that the exception set forth in this clause (D) does not apply to the underlying reason giving rise to or contributing to any such change); or (ii) the ability of the Company to consummate the Purchase and the other transactions contemplated by this Agreement and the Warrant and perform its obligations hereunder or thereunder on a timely basis.

(b) "*Previously Disclosed*" means information set forth or incorporated in the Company's Annual Report on Form 10-K for the most recently completed fiscal year of the Company filed with the Securities and Exchange Commission (the "*SEC*") prior to the Signing Date (the "*Last Fiscal Year*") or in its other reports and forms filed with or furnished to the SEC under Sections 13(a), 14(a) or 15(d) of the Securities Exchange Act of 1934 (the "*Exchange Act*") on or after the last day of the Last Fiscal Year and prior to the Signing Date.

2.2 Representations and Warranties of the Company. Except as Previously Disclosed, the Company represents and warrants to the Investor that as of the Signing Date and as of the Closing Date (or such other date specified herein):

(a) Organization, Authority and Significant Subsidiaries. The Company has been duly incorporated and is validly existing and in good standing under the laws of its jurisdiction of organization, with the necessary power and authority to own its properties and conduct its business in all material respects as currently conducted, and except as has not, individually or in the aggregate, had and would not reasonably be expected to have a Company Material Adverse Effect, has been duly qualified as a foreign corporation for the transaction of business and is in good standing under the laws of each other jurisdiction in which it owns or leases properties or conducts any business so as to require such qualification; each subsidiary of the Company that is a "significant subsidiary" within the meaning of Rule 1-02(w) of Regulation S-X under the Securities Act of 1933 (the "*Securities Act*") has been duly organized and is validly existing in good standing under the laws of its jurisdiction of organization. The Charter and bylaws of the Company, copies of which have been provided to the Investor prior to the Signing Date, are true, complete and correct copies of such documents as in full force and effect as of the Signing Date.

(b) Capitalization. The authorized capital stock of the Company, and the outstanding capital stock of the Company (including securities convertible into, or exercisable or exchangeable for, capital stock of the Company) as of the most recent fiscal month-end preceding the Signing Date (the "*Capitalization Date*") is set forth on Schedule B. The outstanding shares of capital stock of the Company have been duly authorized and are validly issued and outstanding, fully paid and nonassessable, and subject to no preemptive rights (and were not issued in violation of any preemptive rights). Except as provided in the Warrant, as of the Signing Date, the Company does not have outstanding any securities or other obligations providing the holder the right to acquire Common Stock that is not reserved for issuance as

specified on Schedule B, and the Company has not made any other commitment to authorize, issue or sell any Common Stock. Since the Capitalization Date, the Company has not issued any shares of Common Stock, other than (i) shares issued upon the exercise of stock options or delivered under other equity-based awards or other convertible securities or warrants which were issued and outstanding on the Capitalization Date and disclosed on Schedule B and (ii) shares disclosed on Schedule B.

(c) Preferred Shares. The Preferred Shares have been duly and validly authorized, and, when issued and delivered pursuant to this Agreement, such Preferred Shares will be duly and validly issued and fully paid and non-assessable, will not be issued in violation of any preemptive rights, and will rank *pari passu* with or senior to all other series or classes of Preferred Stock, whether or not issued or outstanding, with respect to the payment of dividends and the distribution of assets in the event of any dissolution, liquidation or winding up of the Company.

(d) The Warrant and Warrant Shares. The Warrant has been duly authorized and, when executed and delivered as contemplated hereby, will constitute a valid and legally binding obligation of the Company enforceable against the Company in accordance with its terms, except as the same may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the enforcement of creditors' rights generally and general equitable principles, regardless of whether such enforceability is considered in a proceeding at law or in equity ("*Bankruptcy Exceptions*"). The shares of Common Stock issuable upon exercise of the Warrant (the "*Warrant Shares*") have been duly authorized and reserved for issuance upon exercise of the Warrant and when so issued in accordance with the terms of the Warrant will be validly issued, fully paid and non-assessable, subject, if applicable, to the approvals of its stockholders set forth on Schedule C.

(e) Authorization, Enforceability.

(i) The Company has the corporate power and authority to execute and deliver this Agreement and the Warrant and, subject, if applicable, to the approvals of its stockholders set forth on Schedule C, to carry out its obligations hereunder and thereunder (which includes the issuance of the Preferred Shares, Warrant and Warrant Shares). The execution, delivery and performance by the Company of this Agreement and the Warrant and the consummation of the transactions contemplated hereby and thereby have been duly authorized by all necessary corporate action on the part of the Company and its stockholders, and no further approval or authorization is required on the part of the Company, subject, in each case, if applicable, to the approvals of its stockholders set forth on Schedule C. This Agreement is a valid and binding obligation of the Company enforceable against the Company in accordance with its terms, subject to the Bankruptcy Exceptions.

(ii) The execution, delivery and performance by the Company of this Agreement and the Warrant and the consummation of the transactions contemplated hereby and thereby and compliance by the Company with the provisions hereof and

thereof, will not (A) violate, conflict with, or result in a breach of any provision of, or constitute a default (or an event which, with notice or lapse of time or both, would constitute a default) under, or result in the termination of, or accelerate the performance required by, or result in a right of termination or acceleration of, or result in the creation of, any lien, security interest, charge or encumbrance upon any of the properties or assets of the Company or any Company Subsidiary under any of the terms, conditions or provisions of (i) subject, if applicable, to the approvals of the Company's stockholders set forth on Schedule C, its organizational documents or (ii) any note, bond, mortgage, indenture, deed of trust, license, lease, agreement or other instrument or obligation to which the Company or any Company Subsidiary is a party or by which it or any Company Subsidiary may be bound, or to which the Company or any Company Subsidiary or any of the properties or assets of the Company or any Company Subsidiary may be subject, or (B) subject to compliance with the statutes and regulations referred to in the next paragraph, violate any statute, rule or regulation or any judgment, ruling, order, writ, injunction or decree applicable to the Company or any Company Subsidiary or any of their respective properties or assets except, in the case of clauses (A)(ii) and (B), for those occurrences that, individually or in the aggregate, have not had and would not reasonably be expected to have a Company Material Adverse Effect. (iii) Other than the filing of the Certificate of Designations with the Secretary of State of its jurisdiction of organization or other applicable Governmental Entity, any current report on Form 8-K required to be filed with the SEC, such filings and approvals as are required to be made or obtained under any state "blue sky" laws, the filing of any proxy statement contemplated by Section 3.1 and such as have been made or obtained, no notice to, filing with, exemption or review by, or authorization, consent or approval of, any Governmental Entity is required to be made or obtained by the Company in connection with the consummation by the Company of the Purchase except for any such notices, filings, exemptions, reviews, authorizations, consents and approvals the failure of which to make or obtain would not, individually or in the aggregate, reasonably be expected to have a Company Material Adverse Effect.

(f) Anti-takeover Provisions and Rights Plan. The Board of Directors of the Company (the "*Board of Directors*") has taken all necessary action to ensure that the transactions contemplated by this Agreement and the Warrant and the consummation of the transactions contemplated hereby and thereby, including the exercise of the Warrant in accordance with its terms, will be exempt from any anti-takeover or similar provisions of the Company's Charter and bylaws, and any other provisions of any applicable "moratorium", "control share", "fair price", "interested stockholder" or other anti-takeover laws and regulations of any jurisdiction. The Company has taken all actions necessary to render any stockholders' rights plan of the Company inapplicable to this Agreement and the Warrant and the consummation of the transactions contemplated hereby and thereby, including the exercise of the Warrant by the Investor in accordance with its terms.

(g) No Company Material Adverse Effect. Since the last day of the last completed fiscal period for which the Company has filed a Quarterly Report on Form 10-Q or an Annual

Report on Form 10-K with the SEC prior to the Signing Date, no fact, circumstance, event, change, occurrence, condition or development has occurred that, individually or in the aggregate, has had or would reasonably be expected to have a Company Material Adverse Effect.

(h) Company Financial Statements. Each of the consolidated financial statements of the Company and its consolidated subsidiaries (collectively the "*Company Financial Statements*") included or incorporated by reference in the Company Reports filed with the SEC since December 31, 2006, present fairly in all material respects the consolidated financial position of the Company and its consolidated subsidiaries as of the dates indicated therein (or if amended prior to the Signing Date, as of the date of such amendment) and the consolidated results of their operations for the periods specified therein; and except as stated therein, such financial statements (A) were prepared in conformity with GAAP applied on a consistent basis (except as may be noted therein), (B) have been prepared from, and are in accordance with, the books and records of the Company and the Company Subsidiaries and (C) complied as to form, as of their respective dates of filing with the SEC, in all material respects with the applicable accounting requirements and with the published rules and regulations of the SEC with respect thereto.

(i) Reports.

(i) Since December 31, 2006, the Company and each subsidiary of the Company (each a "*Company Subsidiary*" and, collectively, the "*Company Subsidiaries*") has timely filed all reports, registrations, documents, filings, statements and submissions, together with any amendments thereto, that it was required to file with any Governmental Entity (the foregoing, collectively, the "*Company Reports*") and has paid all fees and assessments due and payable in connection therewith, except, in each case, as would not, individually or in the aggregate, reasonably be expected to have a Company Material Adverse Effect. As of their respective dates of filing, the Company Reports complied in all material respects with all statutes and applicable rules and regulations of the applicable Governmental Entities. In the case of each such Company Report filed with or furnished to the SEC, such Company Report (A) did not, as of its date or if amended prior to the Signing Date, as of the date of such amendment, contain an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements made therein, in light of the circumstances under which they were made, not misleading, and (B) complied as to form in all material respects with the applicable requirements of the Securities Act and the Exchange Act. With respect to all other Company Reports, the Company Reports were complete and accurate in all material respects as of their respective dates. No executive officer of the Company or any Company Subsidiary has failed in any respect to make the certifications required of him or her under Section 302 or 906 of the Sarbanes-Oxley Act of 2002.

(ii) The records, systems, controls, data and information of the Company and the Company Subsidiaries are recorded, stored, maintained and operated under means (including any electronic, mechanical or photographic process, whether computerized or not) that are under the exclusive ownership and direct control of the Company or the

Company Subsidiaries or their accountants (including all means of access thereto and therefrom), except for any non-exclusive ownership and non-direct control that would not reasonably be expected to have a material adverse effect on the system of internal accounting controls described below in this Section 2.2(i)(ii). The Company (A) has implemented and maintains disclosure controls and procedures (as defined in Rule 13a-15(e) of the Exchange Act) to ensure that material information relating to the Company, including the consolidated Company Subsidiaries, is made known to the chief executive officer and the chief financial officer of the Company by others within those entities, and (B) has disclosed, based on its most recent evaluation prior to the Signing Date, to the Company's outside auditors and the audit committee of the Board of Directors (x) any significant deficiencies and material weaknesses in the design or operation of internal controls over financial reporting (as defined in Rule 13a-15(f) of the Exchange Act) that are reasonably likely to adversely affect the Company's ability to record, process, summarize and report financial information and (y) any fraud, whether or not material, that involves management or other employees who have a significant role in the Company's internal controls over financial reporting.

(j) No Undisclosed Liabilities. Neither the Company nor any of the Company Subsidiaries has any liabilities or obligations of any nature (absolute, accrued, contingent or otherwise) which are not properly reflected or reserved against in the Company Financial Statements to the extent required to be so reflected or reserved against in accordance with GAAP, except for (A) liabilities that have arisen since the last fiscal year end in the ordinary and usual course of business and consistent with past practice and (B) liabilities that, individually or in the aggregate, have not had and would not reasonably be expected to have a Company Material Adverse Effect.

(k) Offering of Securities. Neither the Company nor any person acting on its behalf has taken any action (including any offering of any securities of the Company under circumstances which would require the integration of such offering with the offering of any of the Purchased Securities under the Securities Act, and the rules and regulations of the SEC promulgated thereunder), which might subject the offering, issuance or sale of any of the Purchased Securities to Investor pursuant to this Agreement to the registration requirements of the Securities Act.

(l) Litigation and Other Proceedings. Except (i) as set forth on Schedule D or (ii) as would not, individually or in the aggregate, reasonably be expected to have a Company Material Adverse Effect, there is no (A) pending or, to the knowledge of the Company, threatened, claim, action, suit, investigation or proceeding, against the Company or any Company Subsidiary or to which any of their assets are subject nor is the Company or any Company Subsidiary subject to any order, judgment or decree or (B) unresolved violation, criticism or exception by any Governmental Entity with respect to any report or relating to any examinations or inspections of the Company or any Company Subsidiaries.

(m) Compliance with Laws. Except as would not, individually or in the aggregate, reasonably be expected to have a Company Material Adverse Effect, the Company and the

Company Subsidiaries have all permits, licenses, franchises, authorizations, orders and approvals of, and have made all filings, applications and registrations with, Governmental Entities that are required in order to permit them to own or lease their properties and assets and to carry on their business as presently conducted and that are material to the business of the Company or such Company Subsidiary. Except as set forth on Schedule E, the Company and the Company Subsidiaries have complied in all respects and are not in default or violation of, and none of them is, to the knowledge of the Company, under investigation with respect to or, to the knowledge of the Company, have been threatened to be charged with or given notice of any violation of, any applicable domestic (federal, state or local) or foreign law, statute, ordinance, license, rule, regulation, policy or guideline, order, demand, writ, injunction, decree or judgment of any Governmental Entity, other than such noncompliance, defaults or violations that would not, individually or in the aggregate, reasonably be expected to have a Company Material Adverse Effect. Except for statutory or regulatory restrictions of general application or as set forth on Schedule E, no Governmental Entity has placed any restriction on the business or properties of the Company or any Company Subsidiary that would, individually or in the aggregate, reasonably be expected to have a Company Material Adverse Effect.

(n) Employee Benefit Matters. Except as would not reasonably be expected to have, either individually or in the aggregate, a Company Material Adverse Effect: (A) each "employee benefit plan" (within the meaning of Section 3(3) of the Employee Retirement Income Security Act of 1974, as amended ("*ERISA*")) providing benefits to any current or former employee, officer or director of the Company or any member of its "*Controlled Group*" (defined as any organization which is a member of a controlled group of corporations within the meaning of Section 414 of the Internal Revenue Code of 1986, as amended (the "*Code*")) that is sponsored, maintained or contributed to by the Company or any member of its Controlled Group and for which the Company or any member of its Controlled Group would have any liability, whether actual or contingent (each, a "*Plan*") has been maintained in compliance with its terms and with the requirements of all applicable statutes, rules and regulations, including ERISA and the Code; (B) with respect to each Plan subject to Title IV of ERISA (including, for purposes of this clause (B), any plan subject to Title IV of ERISA that the Company or any member of its Controlled Group previously maintained or contributed to in the six years prior to the Signing Date), (1) no "reportable event" (within the meaning of Section 4043(c) of ERISA), other than a reportable event for which the notice period referred to in Section 4043(c) of ERISA has been waived, has occurred in the three years prior to the Signing Date or is reasonably expected to occur, (2) no "accumulated funding deficiency" (within the meaning of Section 302 of ERISA or Section 412 of the Code), whether or not waived, has occurred in the three years prior to the Signing Date or is reasonably expected to occur, (3) the fair market value of the assets under each Plan exceeds the present value of all benefits accrued under such Plan (determined based on the assumptions used to fund such Plan) and (4) neither the Company nor any member of its Controlled Group has incurred in the six years prior to the Signing Date, or reasonably expects to incur, any liability under Title IV of ERISA (other than contributions to the Plan or premiums to the PBGC in the ordinary course and without default) in respect of a Plan (including any Plan that is a "multiemployer plan", within the meaning of Section 4001(c)(3) of ERISA); and (C) each Plan that is intended to be qualified under Section 401(a) of the Code has received a favorable

determination letter from the Internal Revenue Service with respect to its qualified status that has not been revoked, or such a determination letter has been timely applied for but not received by the Signing Date, and nothing has occurred, whether by action or by failure to act, which could reasonably be expected to cause the loss, revocation or denial of such qualified status or favorable determination letter.

(o) Taxes. Except as would not, individually or in the aggregate, reasonably be expected to have a Company Material Adverse Effect, (i) the Company and the Company Subsidiaries have filed all federal, state, local and foreign income and franchise Tax returns required to be filed through the Signing Date, subject to permitted extensions, and have paid all Taxes due thereon, and (ii) no Tax deficiency has been determined adversely to the Company or any of the Company Subsidiaries, nor does the Company have any knowledge of any Tax deficiencies. "*Tax*" or "*Taxes*" means any federal, state, local or foreign income, gross receipts, property, sales, use, license, excise, franchise, employment, payroll, withholding, alternative or add on minimum, ad valorem, transfer or excise tax, or any other tax, custom, duty, governmental fee or other like assessment or charge of any kind whatsoever, together with any interest or penalty, imposed by any Governmental Entity.

(p) Properties and Leases. Except as would not, individually or in the aggregate, reasonably be expected to have a Company Material Adverse Effect, the Company and the Company Subsidiaries have good and marketable title to all real properties and all other properties and assets owned by them, in each case free from liens, encumbrances, claims and defects that would affect the value thereof or interfere with the use made or to be made thereof by them. Except as would not, individually or in the aggregate, reasonably be expected to have a Company Material Adverse Effect, the Company and the Company Subsidiaries hold all leased real or personal property under valid and enforceable leases with no exceptions that would interfere with the use made or to be made thereof by them.

(q) Environmental Liability. Except as would not, individually or in the aggregate, reasonably be expected to have a Company Material Adverse Effect:

(i) there is no legal, administrative, or other proceeding, claim or action of any nature seeking to impose, or that would reasonably be expected to result in the imposition of, on the Company or any Company Subsidiary, any liability relating to the release of hazardous substances as defined under any local, state or federal environmental statute, regulation or ordinance, including the Comprehensive Environmental Response, Compensation and Liability Act of 1980, pending or, to the Company's knowledge, threatened against the Company or any Company Subsidiary;

(ii) to the Company's knowledge, there is no reasonable basis for any such proceeding, claim or action; and

(iii) neither the Company nor any Company Subsidiary is subject to any agreement, order, judgment or decree by or with any court, Governmental Entity or third party imposing any such environmental liability.

(r) Risk Management Instruments. Except as would not, individually or in the aggregate, reasonably be expected to have a Company Material Adverse Effect, all derivative instruments, including, swaps, caps, floors and option agreements, whether entered into for the Company's own account, or for the account of one or more of the Company Subsidiaries or its or their customers, were entered into (i) only in the ordinary course of business, (ii) in accordance with prudent practices and in all material respects with all applicable laws, rules, regulations and regulatory policies and (iii) with counterparties believed to be financially responsible at the time; and each of such instruments constitutes the valid and legally binding obligation of the Company or one of the Company Subsidiaries, enforceable in accordance with its terms, except as may be limited by the Bankruptcy Exceptions. Neither the Company or the Company Subsidiaries, nor, to the knowledge of the Company, any other party thereto, is in breach of any of its obligations under any such agreement or arrangement other than such breaches that would not, individually or in the aggregate, reasonably be expected to have a Company Material Adverse Effect.

(s) Agreements with Regulatory Agencies. Except as set forth on Schedule F, neither the Company nor any Company Subsidiary is subject to any material cease-and-desist or other similar order or enforcement action issued by, or is a party to any material written agreement, consent agreement or memorandum of understanding with, or is a party to any commitment letter or similar undertaking to, or is subject to any capital directive by, or since December 31, 2006, has adopted any board resolutions at the request of, any Governmental Entity (other than the Appropriate Federal Banking Agencies with jurisdiction over the Company and the Company Subsidiaries) that currently restricts in any material respect the conduct of its business or that in any material manner relates to its capital adequacy, its liquidity and funding policies and practices, its ability to pay dividends, its credit, risk management or compliance policies or procedures, its internal controls, its management or its operations or business (each item in this sentence, a "*Regulatory Agreement*"), nor has the Company or any Company Subsidiary been advised since December 31, 2006 by any such Governmental Entity that it is considering issuing, initiating, ordering, or requesting any such Regulatory Agreement. The Company and each Company Subsidiary are in compliance in all material respects with each Regulatory Agreement to which it is party or subject, and neither the Company nor any Company Subsidiary has received any notice from any Governmental Entity indicating that either the Company or any Company Subsidiary is not in compliance in all material respects with any such Regulatory Agreement. "*Appropriate Federal Banking Agency*" means the "appropriate Federal banking agency" with respect to the Company or such Company Subsidiaries, as applicable, as defined in Section 3(q) of the Federal Deposit Insurance Act (12 U.S.C. Section 1813(q)).

(t) Insurance. The Company and the Company Subsidiaries are insured with reputable insurers against such risks and in such amounts as the management of the Company reasonably has determined to be prudent and consistent with industry practice. The Company and the Company Subsidiaries are in material compliance with their insurance policies and are not in default under any of the material terms thereof, each such policy is outstanding and in full force and effect, all premiums and other payments due under any material policy have been paid, and all claims thereunder have been filed in due and timely fashion, except, in each case, as would not, individually or in the aggregate, reasonably be expected to have a Company Material Adverse Effect.

(u) Intellectual Property. Except as would not, individually or in the aggregate, reasonably be expected to have a Company Material Adverse Effect, (i) the Company and each Company Subsidiary owns or otherwise has the right to use, all intellectual property rights, including all trademarks, trade dress, trade names, service marks, domain names, patents, inventions, trade secrets, know-how, works of authorship and copyrights therein, that are used in the conduct of their existing businesses and all rights relating to the plans, design and specifications of any of its branch facilities ("*Proprietary Rights*") free and clear of all liens and any claims of ownership by current or former employees, contractors, designers or others and (ii) neither the Company nor any of the Company Subsidiaries is materially infringing, diluting, misappropriating or violating, nor has the Company or any or the Company Subsidiaries received any written (or, to the knowledge of the Company, oral) communications alleging that any of them has materially infringed, diluted, misappropriated or violated, any of the Proprietary Rights owned by any other person. Except as would not, individually or in the aggregate, reasonably be expected to have a Company Material Adverse Effect, to the Company's knowledge, no other person is infringing, diluting, misappropriating or violating, nor has the Company or any or the Company Subsidiaries sent any written communications since January 1, 2006 alleging that any person has infringed, diluted, misappropriated or violated, any of the Proprietary Rights owned by the Company and the Company Subsidiaries.

(v) Brokers and Finders. No broker, finder or investment banker is entitled to any financial advisory, brokerage, finder's or other fee or commission in connection with this Agreement or the Warrant or the transactions contemplated hereby or thereby based upon arrangements made by or on behalf of the Company or any Company Subsidiary for which the Investor could have any liability.

Article III
Covenants

3.1 Commercially Reasonable Efforts.

(a) Subject to the terms and conditions of this Agreement, each of the parties will use its commercially reasonable efforts in good faith to take, or cause to be taken, all actions, and to do, or cause to be done, all things necessary, proper or desirable, or advisable under applicable laws, so as to permit consummation of the Purchase as promptly as practicable and otherwise to enable consummation of the transactions contemplated hereby and shall use commercially reasonable efforts to cooperate with the other party to that end.

(b) If the Company is required to obtain any stockholder approvals set forth on Schedule C, then the Company shall comply with this Section 3.1(b) and Section 3.1(c). The Company shall call a special meeting of its stockholders, as promptly as practicable following the Closing, to vote on proposals (collectively, the "*Stockholder Proposals*") to (i) approve the exercise of the Warrant for Common Stock for purposes of the rules of the national security exchange on which the Common Stock is listed and/or (ii) amend the Company's Charter to increase the number of authorized shares of Common Stock to at least such number as shall be sufficient to permit the full exercise of the Warrant for Common Stock and comply with the

other provisions of this Section 3.1(b) and Section 3.1(c). The Board of Directors shall recommend to the Company's stockholders that such stockholders vote in favor of the Stockholder Proposals. In connection with such meeting, the Company shall prepare (and the Investor will reasonably cooperate with the Company to prepare) and file with the SEC as promptly as practicable (but in no event more than ten business days after the Closing) a preliminary proxy statement, shall use its reasonable best efforts to respond to any comments of the SEC or its staff thereon and to cause a definitive proxy statement related to such stockholders' meeting to be mailed to the Company's stockholders not more than five business days after clearance thereof by the SEC, and shall use its reasonable best efforts to solicit proxies for such stockholder approval of the Stockholder Proposals. The Company shall notify the Investor promptly of the receipt of any comments from the SEC or its staff with respect to the proxy statement and of any request by the SEC or its staff for amendments or supplements to such proxy statement or for additional information and will supply the Investor with copies of all correspondence between the Company or any of its representatives, on the one hand, and the SEC or its staff, on the other hand, with respect to such proxy statement. If at any time prior to such stockholders' meeting there shall occur any event that is required to be set forth in an amendment or supplement to the proxy statement, the Company shall as promptly as practicable prepare and mail to its stockholders such an amendment or supplement. Each of the Investor and the Company agrees promptly to correct any information provided by it or on its behalf for use in the proxy statement if and to the extent that such information shall have become false or misleading in any material respect, and the Company shall as promptly as practicable prepare and mail to its stockholders an amendment or supplement to correct such information to the extent required by applicable laws and regulations. The Company shall consult with the Investor prior to filing any proxy statement, or any amendment or supplement thereto, and provide the Investor with a reasonable opportunity to comment thereon. In the event that the approval of any of the Stockholder Proposals is not obtained at such special stockholders meeting, the Company shall include a proposal to approve (and the Board of Directors shall recommend approval of) each such proposal at a meeting of its stockholders no less than once in each subsequent six-month period beginning on January 1, 2009 until all such approvals are obtained or made.

(c) None of the information supplied by the Company or any of the Company Subsidiaries for inclusion in any proxy statement in connection with any such stockholders meeting of the Company will, at the date it is filed with the SEC, when first mailed to the Company's stockholders and at the time of any stockholders meeting, and at the time of any amendment or supplement thereof, contain any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements therein, in light of the circumstances under which they are made, not misleading.

3.2 Expenses. Unless otherwise provided in this Agreement or the Warrant, each of the parties hereto will bear and pay all costs and expenses incurred by it or on its behalf in connection with the transactions contemplated under this Agreement and the Warrant, including fees and expenses of its own financial or other consultants, investment bankers, accountants and counsel.

3.3 Sufficiency of Authorized Common Stock; Exchange Listing.

(a) During the period from the Closing Date (or, if the approval of the Stockholder Proposals is required, the date of such approval) until the date on which the Warrant has been fully exercised, the Company shall at all times have reserved for issuance, free of preemptive or similar rights, a sufficient number of authorized and unissued Warrant Shares to effectuate such exercise. Nothing in this Section 3.3 shall preclude the Company from satisfying its obligations in respect of the exercise of the Warrant by delivery of shares of Common Stock which are held in the treasury of the Company. As soon as reasonably practicable following the Closing, the Company shall, at its expense, cause the Warrant Shares to be listed on the same national securities exchange on which the Common Stock is listed, subject to official notice of issuance, and shall maintain such listing for so long as any Common Stock is listed on such exchange.

(b) If requested by the Investor, the Company shall promptly use its reasonable best efforts to cause the Preferred Shares to be approved for listing on a national securities exchange as promptly as practicable following such request.

3.4 Certain Notifications Until Closing. From the Signing Date until the Closing, the Company shall promptly notify the Investor of (i) any fact, event or circumstance of which it is aware and which would reasonably be expected to cause any representation or warranty of the Company contained in this Agreement to be untrue or inaccurate in any material respect or to cause any covenant or agreement of the Company contained in this Agreement not to be complied with or satisfied in any material respect and (ii) except as Previously Disclosed, any fact, circumstance, event, change, occurrence, condition or development of which the Company is aware and which, individually or in the aggregate, has had or would reasonably be expected to have a Company Material Adverse Effect; *provided*, *however*, that delivery of any notice pursuant to this Section 3.4 shall not limit or affect any rights of or remedies available to the Investor; *provided*, *further*, that a failure to comply with this Section 3.4 shall not constitute a breach of this Agreement or the failure of any condition set forth in Section 1.2 to be satisfied unless the underlying Company Material Adverse Effect or material breach would independently result in the failure of a condition set forth in Section 1.2 to be satisfied.

3.5 Access, Information and Confidentiality.

(a) From the Signing Date until the date when the Investor holds an amount of Preferred Shares having an aggregate liquidation value of less than 10% of the Purchase Price, the Company will permit the Investor and its agents, consultants, contractors and advisors (x) acting through the Appropriate Federal Banking Agency, to examine the corporate books and make copies thereof and to discuss the affairs, finances and accounts of the Company and the Company Subsidiaries with the principal officers of the Company, all upon reasonable notice and at such reasonable times and as often as the Investor may reasonably request and (y) to review any information material to the Investor's investment in the Company provided by the Company to its Appropriate Federal Banking Agency. Any investigation pursuant to this Section 3.5 shall be conducted during normal business hours and in such manner as not to interfere unreasonably with the conduct of the business of the Company, and nothing herein shall require the Company or any Company Subsidiary to disclose any information to the Investor to the extent (i) prohibited by applicable law or regulation, or (ii) that such disclosure would reasonably be

expected to cause a violation of any agreement to which the Company or any Company Subsidiary is a party or would cause a risk of a loss of privilege to the Company or any Company Subsidiary (*provided* that the Company shall use commercially reasonable efforts to make appropriate substitute disclosure arrangements under circumstances where the restrictions in this clause (ii) apply).

(b) The Investor will use reasonable best efforts to hold, and will use reasonable best efforts to cause its agents, consultants, contractors and advisors to hold, in confidence all nonpublic records, books, contracts, instruments, computer data and other data and information (collectively, "*Information*") concerning the Company furnished or made available to it by the Company or its representatives pursuant to this Agreement (except to the extent that such information can be shown to have been (i) previously known by such party on a non-confidential basis, (ii) in the public domain through no fault of such party or (iii) later lawfully acquired from other sources by the party to which it was furnished (and without violation of any other confidentiality obligation)); *provided* that nothing herein shall prevent the Investor from disclosing any Information to the extent required by applicable laws or regulations or by any subpoena or similar legal process.

Article IV
Additional Agreements

4.1 Purchase for Investment. The Investor acknowledges that the Purchased Securities and the Warrant Shares have not been registered under the Securities Act or under any state securities laws. The Investor (a) is acquiring the Purchased Securities pursuant to an exemption from registration under the Securities Act solely for investment with no present intention to distribute them to any person in violation of the Securities Act or any applicable U.S. state securities laws, (b) will not sell or otherwise dispose of any of the Purchased Securities or the Warrant Shares, except in compliance with the registration requirements or exemption provisions of the Securities Act and any applicable U.S. state securities laws, and (c) has such knowledge and experience in financial and business matters and in investments of this type that it is capable of evaluating the merits and risks of the Purchase and of making an informed investment decision.

4.2 Legends.

(a) The Investor agrees that all certificates or other instruments representing the Warrant and the Warrant Shares will bear a legend substantially to the following effect:

> "THE SECURITIES REPRESENTED BY THIS INSTRUMENT HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR THE SECURITIES LAWS OF ANY STATE AND MAY NOT BE TRANSFERRED, SOLD OR OTHERWISE DISPOSED OF EXCEPT WHILE A REGISTRATION STATEMENT RELATING THERETO IS IN EFFECT UNDER SUCH ACT AND APPLICABLE STATE SECURITIES LAWS OR PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER SUCH ACT OR SUCH LAWS."

(b) The Investor agrees that all certificates or other instruments representing the Warrant will also bear a legend substantially to the following effect:

"THIS INSTRUMENT IS ISSUED SUBJECT TO THE RESTRICTIONS ON TRANSFER AND OTHER PROVISIONS OF A SECURITIES PURCHASE AGREEMENT BETWEEN THE ISSUER OF THESE SECURITIES AND THE INVESTOR REFERRED TO THEREIN, A COPY OF WHICH IS ON FILE WITH THE ISSUER. THE SECURITIES REPRESENTED BY THIS INSTRUMENT MAY NOT BE SOLD OR OTHERWISE TRANSFERRED EXCEPT IN COMPLIANCE WITH SAID AGREEMENT. ANY SALE OR OTHER TRANSFER NOT IN COMPLIANCE WITH SAID AGREEMENT WILL BE VOID."

(c) In addition, the Investor agrees that all certificates or other instruments representing the Preferred Shares will bear a legend substantially to the following effect:

"THE SECURITIES REPRESENTED BY THIS INSTRUMENT ARE NOT SAVINGS ACCOUNTS, DEPOSITS OR OTHER OBLIGATIONS OF A BANK AND ARE NOT INSURED BY THE FEDERAL DEPOSIT INSURANCE CORPORATION OR ANY OTHER GOVERNMENTAL AGENCY. THE SECURITIES REPRESENTED BY THIS INSTRUMENT HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR THE SECURITIES LAWS OF ANY STATE AND MAY NOT BE TRANSFERRED, SOLD OR OTHERWISE DISPOSED OF EXCEPT WHILE A REGISTRATION STATEMENT RELATING THERETO IS IN EFFECT UNDER SUCH ACT AND APPLICABLE STATE SECURITIES LAWS OR PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER SUCH ACT OR SUCH LAWS. EACH PURCHASER OF THE SECURITIES REPRESENTED BY THIS INSTRUMENT IS NOTIFIED THAT THE SELLER MAY BE RELYING ON THE EXEMPTION FROM SECTION 5 OF THE SECURITIES ACT PROVIDED BY RULE 144A THEREUNDER. ANY TRANSFEREE OF THE SECURITIES REPRESENTED BY THIS INSTRUMENT BY ITS ACCEPTANCE HEREOF (1) REPRESENTS THAT IT IS A "QUALIFIED INSTITUTIONAL BUYER" (AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT), (2) AGREES THAT IT WILL NOT OFFER, SELL OR OTHERWISE TRANSFER THE SECURITIES REPRESENTED BY THIS INSTRUMENT EXCEPT (A) PURSUANT TO A REGISTRATION STATEMENT WHICH IS THEN EFFECTIVE UNDER THE SECURITIES ACT, (B) FOR SO LONG AS THE SECURITIES REPRESENTED BY THIS INSTRUMENT ARE ELIGIBLE FOR RESALE PURSUANT TO RULE 144A, TO A PERSON IT REASONABLY BELIEVES IS A "QUALIFIED INSTITUTIONAL BUYER" AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT THAT PURCHASES FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER TO WHOM NOTICE IS GIVEN THAT THE TRANSFER IS BEING MADE IN RELIANCE ON RULE 144A, (C) TO THE ISSUER OR (D) PURSUANT TO ANY OTHER AVAILABLE EXEMPTION FROM THE REGISTRATION

REQUIREMENTS OF THE SECURITIES ACT AND (3) AGREES THAT IT WILL GIVE TO EACH PERSON TO WHOM THE SECURITIES REPRESENTED BY THIS INSTRUMENT ARE TRANSFERRED A NOTICE SUBSTANTIALLY TO THE EFFECT OF THIS LEGEND."

(d) In the event that any Purchased Securities or Warrant Shares (i) become registered under the Securities Act or (ii) are eligible to be transferred without restriction in accordance with Rule 144 or another exemption from registration under the Securities Act (other than Rule 144A), the Company shall issue new certificates or other instruments representing such Purchased Securities or Warrant Shares, which shall not contain the applicable legends in Sections 4.2(a) and (c) above; *provided* that the Investor surrenders to the Company the previously issued certificates or other instruments. Upon Transfer of all or a portion of the Warrant in compliance with Section 4.4, the Company shall issue new certificates or other instruments representing the Warrant, which shall not contain the applicable legend in Section 4.2(b) above; *provided* that the Investor surrenders to the Company the previously issued certificates or other instruments.

4.3 Certain Transactions. The Company will not merge or consolidate with, or sell, transfer or lease all or substantially all of its property or assets to, any other party unless the successor, transferee or lessee party (or its ultimate parent entity), as the case may be (if not the Company), expressly assumes the due and punctual performance and observance of each and every covenant, agreement and condition of this Agreement to be performed and observed by the Company.

4.4 Transfer of Purchased Securities and Warrant Shares; Restrictions on Exercise of the Warrant. Subject to compliance with applicable securities laws, the Investor shall be permitted to transfer, sell, assign or otherwise dispose of ("*Transfer*") all or a portion of the Purchased Securities or Warrant Shares at any time, and the Company shall take all steps as may be reasonably requested by the Investor to facilitate the Transfer of the Purchased Securities and the Warrant Shares; *provided* that the Investor shall not Transfer a portion or portions of the Warrant with respect to, and/or exercise the Warrant for, more than one-half of the Initial Warrant Shares (as such number may be adjusted from time to time pursuant to Section 13 thereof) in the aggregate until the earlier of (a) the date on which the Company (or any successor by Business Combination) has received aggregate gross proceeds of not less than the Purchase Price (and the purchase price paid by the Investor to any such successor for securities of such successor purchased under the CPP) from one or more Qualified Equity Offerings (including Qualified Equity Offerings of such successor) and (b) December 31, 2009. "*Qualified Equity Offering*" means the sale and issuance for cash by the Company to persons other than the Company or any of the Company Subsidiaries after the Closing Date of shares of perpetual Preferred Stock, Common Stock or any combination of such stock, that, in each case, qualify as and may be included in Tier 1 capital of the Company at the time of issuance under the applicable risk-based capital guidelines of the Company's Appropriate Federal Banking Agency (other than any such sales and issuances made pursuant to agreements or arrangements entered into, or pursuant to financing plans which were publicly announced, on or prior to October 13,

2008). "*Business Combination*" means a merger, consolidation, statutory share exchange or similar transaction that requires the approval of the Company's stockholders.

4.5 Registration Rights.

(a) Registration.

(i) Subject to the terms and conditions of this Agreement, the Company covenants and agrees that as promptly as practicable after the Closing Date (and in any event no later than 30 days after the Closing Date), the Company shall prepare and file with the SEC a Shelf Registration Statement covering all Registrable Securities (or otherwise designate an existing Shelf Registration Statement filed with the SEC to cover the Registrable Securities), and, to the extent the Shelf Registration Statement has not theretofore been declared effective or is not automatically effective upon such filing, the Company shall use reasonable best efforts to cause such Shelf Registration Statement to be declared or become effective and to keep such Shelf Registration Statement continuously effective and in compliance with the Securities Act and usable for resale of such Registrable Securities for a period from the date of its initial effectiveness until such time as there are no Registrable Securities remaining (including by refiling such Shelf Registration Statement (or a new Shelf Registration Statement) if the initial Shelf Registration Statement expires). So long as the Company is a well-known seasoned issuer (as defined in Rule 405 under the Securities Act) at the time of filing of the Shelf Registration Statement with the SEC, such Shelf Registration Statement shall be designated by the Company as an automatic Shelf Registration Statement. Notwithstanding the foregoing, if on the Signing Date the Company is not eligible to file a registration statement on Form S-3, then the Company shall not be obligated to file a Shelf Registration Statement unless and until requested to do so in writing by the Investor.

(ii) Any registration pursuant to Section 4.5(a)(i) shall be effected by means of a shelf registration on an appropriate form under Rule 415 under the Securities Act (a "*Shelf Registration Statement*"). If the Investor or any other Holder intends to distribute any Registrable Securities by means of an underwritten offering it shall promptly so advise the Company and the Company shall take all reasonable steps to facilitate such distribution, including the actions required pursuant to Section 4.5(c); *provided* that the Company shall not be required to facilitate an underwritten offering of Registrable Securities unless the expected gross proceeds from such offering exceed (i) 2% of the initial aggregate liquidation preference of the Preferred Shares if such initial aggregate liquidation preference is less than $2 billion and (ii) $200 million if the initial aggregate liquidation preference of the Preferred Shares is equal to or greater than $2 billion. The lead underwriters in any such distribution shall be selected by the Holders of a majority of the Registrable Securities to be distributed; *provided* that to the extent appropriate and permitted under applicable law, such Holders shall consider the qualifications of any broker-dealer Affiliate of the Company in selecting the lead underwriters in any such distribution.

(iii) The Company shall not be required to effect a registration (including a resale of Registrable Securities from an effective Shelf Registration Statement) or an underwritten offering pursuant to Section 4.5(a): (A) with respect to securities that are not Registrable Securities; or (B) if the Company has notified the Investor and all other Holders that in the good faith judgment of the Board of Directors, it would be materially detrimental to the Company or its securityholders for such registration or underwritten offering to be effected at such time, in which event the Company shall have the right to defer such registration for a period of not more than 45 days after receipt of the request of the Investor or any other Holder; *provided* that such right to delay a registration or underwritten offering shall be exercised by the Company (1) only if the Company has generally exercised (or is concurrently exercising) similar black-out rights against holders of similar securities that have registration rights and (2) not more than three times in any 12-month period and not more than 90 days in the aggregate in any 12-month period.

(iv) If during any period when an effective Shelf Registration Statement is not available, the Company proposes to register any of its equity securities, other than a registration pursuant to Section 4.5(a)(i) or a Special Registration, and the registration form to be filed may be used for the registration or qualification for distribution of Registrable Securities, the Company will give prompt written notice to the Investor and all other Holders of its intention to effect such a registration (but in no event less than ten days prior to the anticipated filing date) and will include in such registration all Registrable Securities with respect to which the Company has received written requests for inclusion therein within ten business days after the date of the Company's notice (a "*Piggyback Registration*"). Any such person that has made such a written request may withdraw its Registrable Securities from such Piggyback Registration by giving written notice to the Company and the managing underwriter, if any, on or before the fifth business day prior to the planned effective date of such Piggyback Registration. The Company may terminate or withdraw any registration under this Section 4.5(a)(iv) prior to the effectiveness of such registration, whether or not Investor or any other Holders have elected to include Registrable Securities in such registration.

(v) If the registration referred to in Section 4.5(a)(iv) is proposed to be underwritten, the Company will so advise Investor and all other Holders as a part of the written notice given pursuant to Section 4.5(a)(iv). In such event, the right of Investor and all other Holders to registration pursuant to Section 4.5(a) will be conditioned upon such persons' participation in such underwriting and the inclusion of such person's Registrable Securities in the underwriting if such securities are of the same class of securities as the securities to be offered in the underwritten offering, and each such person will (together with the Company and the other persons distributing their securities through such underwriting) enter into an underwriting agreement in customary form with the underwriter or underwriters selected for such underwriting by the Company; *provided* that the Investor (as opposed to other Holders) shall not be required to indemnify any person in connection with any registration. If any participating person disapproves of the terms of the underwriting, such person may elect to withdraw therefrom by written notice

to the Company, the managing underwriters and the Investor (if the Investor is participating in the underwriting).

(vi) If either (x) the Company grants "piggyback" registration rights to one or more third parties to include their securities in an underwritten offering under the Shelf Registration Statement pursuant to Section 4.5(a)(ii) or (y) a Piggyback Registration under Section 4.5(a)(iv) relates to an underwritten offering on behalf of the Company, and in either case the managing underwriters advise the Company that in their reasonable opinion the number of securities requested to be included in such offering exceeds the number which can be sold without adversely affecting the marketability of such offering (including an adverse effect on the per share offering price), the Company will include in such offering only such number of securities that in the reasonable opinion of such managing underwriters can be sold without adversely affecting the marketability of the offering (including an adverse effect on the per share offering price), which securities will be so included in the following order of priority: (A) first, in the case of a Piggyback Registration under Section 4.5(a)(iv), the securities the Company proposes to sell, (B) then the Registrable Securities of the Investor and all other Holders who have requested inclusion of Registrable Securities pursuant to Section 4.5(a)(ii) or Section 4.5(a)(iv), as applicable, *pro rata* on the basis of the aggregate number of such securities or shares owned by each such person and (C) lastly, any other securities of the Company that have been requested to be so included, subject to the terms of this Agreement; *provided, however,* that if the Company has, prior to the Signing Date, entered into an agreement with respect to its securities that is inconsistent with the order of priority contemplated hereby then it shall apply the order of priority in such conflicting agreement to the extent that it would otherwise result in a breach under such agreement.

(b) Expenses of Registration. All Registration Expenses incurred in connection with any registration, qualification or compliance hereunder shall be borne by the Company. All Selling Expenses incurred in connection with any registrations hereunder shall be borne by the holders of the securities so registered *pro rata* on the basis of the aggregate offering or sale price of the securities so registered.

(c) Obligations of the Company. The Company shall use its reasonable best efforts, for so long as there are Registrable Securities outstanding, to take such actions as are under its control to not become an ineligible issuer (as defined in Rule 405 under the Securities Act) and to remain a well-known seasoned issuer (as defined in Rule 405 under the Securities Act) if it has such status on the Signing Date or becomes eligible for such status in the future. In addition, whenever required to effect the registration of any Registrable Securities or facilitate the distribution of Registrable Securities pursuant to an effective Shelf Registration Statement, the Company shall, as expeditiously as reasonably practicable:

(i) Prepare and file with the SEC a prospectus supplement with respect to a proposed offering of Registrable Securities pursuant to an effective registration statement, subject to Section 4.5(d), keep such registration statement effective and keep

such prospectus supplement current until the securities described therein are no longer Registrable Securities.

(ii) Prepare and file with the SEC such amendments and supplements to the applicable registration statement and the prospectus or prospectus supplement used in connection with such registration statement as may be necessary to comply with the provisions of the Securities Act with respect to the disposition of all securities covered by such registration statement.

(iii) Furnish to the Holders and any underwriters such number of copies of the applicable registration statement and each such amendment and supplement thereto (including in each case all exhibits) and of a prospectus, including a preliminary prospectus, in conformity with the requirements of the Securities Act, and such other documents as they may reasonably request in order to facilitate the disposition of Registrable Securities owned or to be distributed by them.

(iv) Use its reasonable best efforts to register and qualify the securities covered by such registration statement under such other securities or Blue Sky laws of such jurisdictions as shall be reasonably requested by the Holders or any managing underwriter(s), to keep such registration or qualification in effect for so long as such registration statement remains in effect, and to take any other action which may be reasonably necessary to enable such seller to consummate the disposition in such jurisdictions of the securities owned by such Holder; *provided* that the Company shall not be required in connection therewith or as a condition thereto to qualify to do business or to file a general consent to service of process in any such states or jurisdictions.

(v) Notify each Holder of Registrable Securities at any time when a prospectus relating thereto is required to be delivered under the Securities Act of the happening of any event as a result of which the applicable prospectus, as then in effect, includes an untrue statement of a material fact or omits to state a material fact required to be stated therein or necessary to make the statements therein not misleading in light of the circumstances then existing.

(vi) Give written notice to the Holders:

(A) when any registration statement filed pursuant to Section 4.5(a) or any amendment thereto has been filed with the SEC (except for any amendment effected by the filing of a document with the SEC pursuant to the Exchange Act) and when such registration statement or any post-effective amendment thereto has become effective;

(B) of any request by the SEC for amendments or supplements to any registration statement or the prospectus included therein or for additional information;

(C) of the issuance by the SEC of any stop order suspending the effectiveness of any registration statement or the initiation of any proceedings for that purpose;

(D) of the receipt by the Company or its legal counsel of any notification with respect to the suspension of the qualification of the Common Stock for sale in any jurisdiction or the initiation or threatening of any proceeding for such purpose;

(E) of the happening of any event that requires the Company to make changes in any effective registration statement or the prospectus related to the registration statement in order to make the statements therein not misleading (which notice shall be accompanied by an instruction to suspend the use of the prospectus until the requisite changes have been made); and

(F) if at any time the representations and warranties of the Company contained in any underwriting agreement contemplated by Section 4.5(c)(x) cease to be true and correct.

(vii) Use its reasonable best efforts to prevent the issuance or obtain the withdrawal of any order suspending the effectiveness of any registration statement referred to in Section 4.5(c)(vi)(C) at the earliest practicable time.

(viii) Upon the occurrence of any event contemplated by Section 4.5(c)(v) or 4.5(c)(vi)(E), promptly prepare a post-effective amendment to such registration statement or a supplement to the related prospectus or file any other required document so that, as thereafter delivered to the Holders and any underwriters, the prospectus will not contain an untrue statement of a material fact or omit to state any material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading. If the Company notifies the Holders in accordance with Section 4.5(c)(vi)(E) to suspend the use of the prospectus until the requisite changes to the prospectus have been made, then the Holders and any underwriters shall suspend use of such prospectus and use their reasonable best efforts to return to the Company all copies of such prospectus (at the Company's expense) other than permanent file copies then in such Holders' or underwriters' possession. The total number of days that any such suspension may be in effect in any 12-month period shall not exceed 90 days.

(ix) Use reasonable best efforts to procure the cooperation of the Company's transfer agent in settling any offering or sale of Registrable Securities, including with respect to the transfer of physical stock certificates into book-entry form in accordance with any procedures reasonably requested by the Holders or any managing underwriter(s).

(x) If an underwritten offering is requested pursuant to Section 4.5(a)(ii), enter into an underwriting agreement in customary form, scope and substance and take all such

other actions reasonably requested by the Holders of a majority of the Registrable Securities being sold in connection therewith or by the managing underwriter(s), if any, to expedite or facilitate the underwritten disposition of such Registrable Securities, and in connection therewith in any underwritten offering (including making members of management and executives of the Company available to participate in "road shows", similar sales events and other marketing activities), (A) make such representations and warranties to the Holders that are selling stockholders and the managing underwriter(s), if any, with respect to the business of the Company and its subsidiaries, and the Shelf Registration Statement, prospectus and documents, if any, incorporated or deemed to be incorporated by reference therein, in each case, in customary form, substance and scope, and, if true, confirm the same if and when requested, (B) use its reasonable best efforts to furnish the underwriters with opinions of counsel to the Company, addressed to the managing underwriter(s), if any, covering the matters customarily covered in such opinions requested in underwritten offerings, (C) use its reasonable best efforts to obtain "cold comfort" letters from the independent certified public accountants of the Company (and, if necessary, any other independent certified public accountants of any business acquired by the Company for which financial statements and financial data are included in the Shelf Registration Statement) who have certified the financial statements included in such Shelf Registration Statement, addressed to each of the managing underwriter(s), if any, such letters to be in customary form and covering matters of the type customarily covered in "cold comfort" letters, (D) if an underwriting agreement is entered into, the same shall contain indemnification provisions and procedures customary in underwritten offerings (provided that the Investor shall not be obligated to provide any indemnity), and (E) deliver such documents and certificates as may be reasonably requested by the Holders of a majority of the Registrable Securities being sold in connection therewith, their counsel and the managing underwriter(s), if any, to evidence the continued validity of the representations and warranties made pursuant to clause (i) above and to evidence compliance with any customary conditions contained in the underwriting agreement or other agreement entered into by the Company.

(xi) Make available for inspection by a representative of Holders that are selling stockholders, the managing underwriter(s), if any, and any attorneys or accountants retained by such Holders or managing underwriter(s), at the offices where normally kept, during reasonable business hours, financial and other records, pertinent corporate documents and properties of the Company, and cause the officers, directors and employees of the Company to supply all information in each case reasonably requested (and of the type customarily provided in connection with due diligence conducted in connection with a registered public offering of securities) by any such representative, managing underwriter(s), attorney or accountant in connection with such Shelf Registration Statement.

(xii) Use reasonable best efforts to cause all such Registrable Securities to be listed on each national securities exchange on which similar securities issued by the Company are then listed or, if no similar securities issued by the Company are then listed on any national securities exchange, use its reasonable best efforts to cause all such

Registrable Securities to be listed on such securities exchange as the Investor may designate.

(xiii) If requested by Holders of a majority of the Registrable Securities being registered and/or sold in connection therewith, or the managing underwriter(s), if any, promptly include in a prospectus supplement or amendment such information as the Holders of a majority of the Registrable Securities being registered and/or sold in connection therewith or managing underwriter(s), if any, may reasonably request in order to permit the intended method of distribution of such securities and make all required filings of such prospectus supplement or such amendment as soon as practicable after the Company has received such request.

(xiv) Timely provide to its security holders earning statements satisfying the provisions of Section 11(a) of the Securities Act and Rule 158 thereunder.

(d) Suspension of Sales. Upon receipt of written notice from the Company that a registration statement, prospectus or prospectus supplement contains or may contain an untrue statement of a material fact or omits or may omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading or that circumstances exist that make inadvisable use of such registration statement, prospectus or prospectus supplement, the Investor and each Holder of Registrable Securities shall forthwith discontinue disposition of Registrable Securities until the Investor and/or Holder has received copies of a supplemented or amended prospectus or prospectus supplement, or until the Investor and/or such Holder is advised in writing by the Company that the use of the prospectus and, if applicable, prospectus supplement may be resumed, and, if so directed by the Company, the Investor and/or such Holder shall deliver to the Company (at the Company's expense) all copies, other than permanent file copies then in the Investor and/or such Holder's possession, of the prospectus and, if applicable, prospectus supplement covering such Registrable Securities current at the time of receipt of such notice. The total number of days that any such suspension may be in effect in any 12-month period shall not exceed 90 days.

(e) Termination of Registration Rights. A Holder's registration rights as to any securities held by such Holder (and its Affiliates, partners, members and former members) shall not be available unless such securities are Registrable Securities.

(f) Furnishing Information.

(i) Neither the Investor nor any Holder shall use any free writing prospectus (as defined in Rule 405) in connection with the sale of Registrable Securities without the prior written consent of the Company.

(ii) It shall be a condition precedent to the obligations of the Company to take any action pursuant to Section 4.5(c) that Investor and/or the selling Holders and the underwriters, if any, shall furnish to the Company such information regarding themselves, the Registrable Securities held by them and the intended method of

disposition of such securities as shall be required to effect the registered offering of their Registrable Securities.

(g) Indemnification.

(i) The Company agrees to indemnify each Holder and, if a Holder is a person other than an individual, such Holder's officers, directors, employees, agents, representatives and Affiliates, and each Person, if any, that controls a Holder within the meaning of the Securities Act (each, an "*Indemnitee*"), against any and all losses, claims, damages, actions, liabilities, costs and expenses (including reasonable fees, expenses and disbursements of attorneys and other professionals incurred in connection with investigating, defending, settling, compromising or paying any such losses, claims, damages, actions, liabilities, costs and expenses), joint or several, arising out of or based upon any untrue statement or alleged untrue statement of material fact contained in any registration statement, including any preliminary prospectus or final prospectus contained therein or any amendments or supplements thereto or any documents incorporated therein by reference or contained in any free writing prospectus (as such term is defined in Rule 405) prepared by the Company or authorized by it in writing for use by such Holder (or any amendment or supplement thereto); or any omission to state therein a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading; *provided*, that the Company shall not be liable to such Indemnitee in any such case to the extent that any such loss, claim, damage, liability (or action or proceeding in respect thereof) or expense arises out of or is based upon (A) an untrue statement or omission made in such registration statement, including any such preliminary prospectus or final prospectus contained therein or any such amendments or supplements thereto or contained in any free writing prospectus (as such term is defined in Rule 405) prepared by the Company or authorized by it in writing for use by such Holder (or any amendment or supplement thereto), in reliance upon and in conformity with information regarding such Indemnitee or its plan of distribution or ownership interests which was furnished in writing to the Company by such Indemnitee for use in connection with such registration statement, including any such preliminary prospectus or final prospectus contained therein or any such amendments or supplements thereto, or (B) offers or sales effected by or on behalf of such Indemnitee "by means of" (as defined in Rule 159A) a "free writing prospectus" (as defined in Rule 405) that was not authorized in writing by the Company.

(ii) If the indemnification provided for in Section 4.5(g)(i) is unavailable to an Indemnitee with respect to any losses, claims, damages, actions, liabilities, costs or expenses referred to therein or is insufficient to hold the Indemnitee harmless as contemplated therein, then the Company, in lieu of indemnifying such Indemnitee, shall contribute to the amount paid or payable by such Indemnitee as a result of such losses, claims, damages, actions, liabilities, costs or expenses in such proportion as is appropriate to reflect the relative fault of the Indemnitee, on the one hand, and the Company, on the other hand, in connection with the statements or omissions which resulted in such losses, claims, damages, actions, liabilities, costs or expenses as well as any other relevant

equitable considerations. The relative fault of the Company, on the one hand, and of the Indemnitee, on the other hand, shall be determined by reference to, among other factors, whether the untrue statement of a material fact or omission to state a material fact relates to information supplied by the Company or by the Indemnitee and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission; the Company and each Holder agree that it would not be just and equitable if contribution pursuant to this Section 4.5(g)(ii) were determined by *pro rata* allocation or by any other method of allocation that does not take account of the equitable considerations referred to in Section 4.5(g)(i). No Indemnitee guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) shall be entitled to contribution from the Company if the Company was not guilty of such fraudulent misrepresentation.

(h) Assignment of Registration Rights. The rights of the Investor to registration of Registrable Securities pursuant to Section 4.5(a) may be assigned by the Investor to a transferee or assignee of Registrable Securities with a liquidation preference or, in the case of Registrable Securities other than Preferred Shares, a market value, no less than an amount equal to (i) 2% of the initial aggregate liquidation preference of the Preferred Shares if such initial aggregate liquidation preference is less than $2 billion and (ii) $200 million if the initial aggregate liquidation preference of the Preferred Shares is equal to or greater than $2 billion; *provided, however*, the transferor shall, within ten days after such transfer, furnish to the Company written notice of the name and address of such transferee or assignee and the number and type of Registrable Securities that are being assigned. For purposes of this Section 4.5(h), "market value" per share of Common Stock shall be the last reported sale price of the Common Stock on the national securities exchange on which the Common Stock is listed or admitted to trading on the last trading day prior to the proposed transfer, and the "market value" for the Warrant (or any portion thereof) shall be the market value per share of Common Stock into which the Warrant (or such portion) is exercisable less the exercise price per share.

(i) Clear Market. With respect to any underwritten offering of Registrable Securities by the Investor or other Holders pursuant to this Section 4.5, the Company agrees not to effect (other than pursuant to such registration or pursuant to a Special Registration) any public sale or distribution, or to file any Shelf Registration Statement (other than such registration or a Special Registration) covering, in the case of an underwritten offering of Common Stock or Warrants, any of its equity securities or, in the case of an underwritten offering of Preferred Shares, any Preferred Stock of the Company, or, in each case, any securities convertible into or exchangeable or exercisable for such securities, during the period not to exceed ten days prior and 60 days following the effective date of such offering or such longer period up to 90 days as may be requested by the managing underwriter for such underwritten offering. The Company also agrees to cause such of its directors and senior executive officers to execute and deliver customary lock-up agreements in such form and for such time period up to 90 days as may be requested by the managing underwriter. "*Special Registration*" means the registration of (A) equity securities and/or options or other rights in respect thereof solely registered on Form S-4 or Form S-8 (or successor form) or (B) shares of equity securities and/or options or other rights in respect thereof to be offered to directors, members of management, employees, consultants,

customers, lenders or vendors of the Company or Company Subsidiaries or in connection with dividend reinvestment plans.

(j) Rule 144; Rule 144A. With a view to making available to the Investor and Holders the benefits of certain rules and regulations of the SEC which may permit the sale of the Registrable Securities to the public without registration, the Company agrees to use its reasonable best efforts to:

(i) make and keep public information available, as those terms are understood and defined in Rule 144(c)(1) or any similar or analogous rule promulgated under the Securities Act, at all times after the Signing Date;

(ii) (A) file with the SEC, in a timely manner, all reports and other documents required of the Company under the Exchange Act, and (B) if at any time the Company is not required to file such reports, make available, upon the request of any Holder, such information necessary to permit sales pursuant to Rule 144A (including the information required by Rule 144A(d)(4) under the Securities Act);

(iii) so long as the Investor or a Holder owns any Registrable Securities, furnish to the Investor or such Holder forthwith upon request: a written statement by the Company as to its compliance with the reporting requirements of Rule 144 under the Securities Act, and of the Exchange Act; a copy of the most recent annual or quarterly report of the Company; and such other reports and documents as the Investor or Holder may reasonably request in availing itself of any rule or regulation of the SEC allowing it to sell any such securities to the public without registration; and

(iv) take such further action as any Holder may reasonably request, all to the extent required from time to time to enable such Holder to sell Registrable Securities without registration under the Securities Act.

(k) As used in this Section 4.5, the following terms shall have the following respective meanings:

(i) "*Holder*" means the Investor and any other holder of Registrable Securities to whom the registration rights conferred by this Agreement have been transferred in compliance with Section 4.5(h) hereof.

(ii) "*Holders' Counsel*" means one counsel for the selling Holders chosen by Holders holding a majority interest in the Registrable Securities being registered.

(iii) "*Register*," "*registered*," and "*registration*" shall refer to a registration effected by preparing and (A) filing a registration statement in compliance with the Securities Act and applicable rules and regulations thereunder, and the declaration or ordering of effectiveness of such registration statement or (B) filing a prospectus and/or

prospectus supplement in respect of an appropriate effective registration statement on Form S-3.

(iv) "*Registrable Securities*" means (A) all Preferred Shares, (B) the Warrant (subject to Section 4.5(p)) and (C) any equity securities issued or issuable directly or indirectly with respect to the securities referred to in the foregoing clauses (A) or (B) by way of conversion, exercise or exchange thereof, including the Warrant Shares, or share dividend or share split or in connection with a combination of shares, recapitalization, reclassification, merger, amalgamation, arrangement, consolidation or other reorganization, *provided* that, once issued, such securities will not be Registrable Securities when (1) they are sold pursuant to an effective registration statement under the Securities Act, (2) except as provided below in Section 4.5(o), they may be sold pursuant to Rule 144 without limitation thereunder on volume or manner of sale, (3) they shall have ceased to be outstanding or (4) they have been sold in a private transaction in which the transferor's rights under this Agreement are not assigned to the transferee of the securities. No Registrable Securities may be registered under more than one registration statement at any one time.

(v) "*Registration Expenses*" mean all expenses incurred by the Company in effecting any registration pursuant to this Agreement (whether or not any registration or prospectus becomes effective or final) or otherwise complying with its obligations under this Section 4.5, including all registration, filing and listing fees, printing expenses, fees and disbursements of counsel for the Company, blue sky fees and expenses, expenses incurred in connection with any "road show", the reasonable fees and disbursements of Holders' Counsel, and expenses of the Company's independent accountants in connection with any regular or special reviews or audits incident to or required by any such registration, but shall not include Selling Expenses.

(vi) "*Rule 144*", "*Rule 144A*", "*Rule 159A*", "*Rule 405*" and "*Rule 415*" mean, in each case, such rule promulgated under the Securities Act (or any successor provision), as the same shall be amended from time to time.

(vii) "*Selling Expenses*" mean all discounts, selling commissions and stock transfer taxes applicable to the sale of Registrable Securities and fees and disbursements of counsel for any Holder (other than the fees and disbursements of Holders' Counsel included in Registration Expenses).

(l) At any time, any holder of Securities (including any Holder) may elect to forfeit its rights set forth in this Section 4.5 from that date forward; *provided*, that a Holder forfeiting such rights shall nonetheless be entitled to participate under Section 4.5(a)(iv) – (vi) in any Pending Underwritten Offering to the same extent that such Holder would have been entitled to if the holder had not withdrawn; and *provided, further*, that no such forfeiture shall terminate a Holder's rights or obligations under Section 4.5(f) with respect to any prior registration or Pending Underwritten Offering. "*Pending Underwritten Offering*" means, with respect to any Holder forfeiting its rights pursuant to this Section 4.5(l), any underwritten offering of

Registrable Securities in which such Holder has advised the Company of its intent to register its Registrable Securities either pursuant to Section 4.5(a)(ii) or 4.5(a)(iv) prior to the date of such

Holder's forfeiture.

(m) Specific Performance. The parties hereto acknowledge that there would be no adequate remedy at law if the Company fails to perform any of its obligations under this Section 4.5 and that the Investor and the Holders from time to time may be irreparably harmed by any such failure, and accordingly agree that the Investor and such Holders, in addition to any other remedy to which they may be entitled at law or in equity, to the fullest extent permitted and enforceable under applicable law shall be entitled to compel specific performance of the obligations of the Company under this Section 4.5 in accordance with the terms and conditions of this Section 4.5.

(n) No Inconsistent Agreements. The Company shall not, on or after the Signing Date, enter into any agreement with respect to its securities that may impair the rights granted to the Investor and the Holders under this Section 4.5 or that otherwise conflicts with the provisions hereof in any manner that may impair the rights granted to the Investor and the Holders under this Section 4.5. In the event the Company has, prior to the Signing Date, entered into any agreement with respect to its securities that is inconsistent with the rights granted to the Investor and the Holders under this Section 4.5 (including agreements that are inconsistent with the order of priority contemplated by Section 4.5(a)(vi)) or that may otherwise conflict with the provisions hereof, the Company shall use its reasonable best efforts to amend such agreements to ensure they are consistent with the provisions of this Section 4.5.

(o) Certain Offerings by the Investor. In the case of any securities held by the Investor that cease to be Registrable Securities solely by reason of clause (2) in the definition of "Registrable Securities," the provisions of Sections 4.5(a)(ii), clauses (iv), (ix) and (x)-(xii) of Section 4.5(c), Section 4.5(g) and Section 4.5(i) shall continue to apply until such securities otherwise cease to be Registrable Securities. In any such case, an "underwritten" offering or other disposition shall include any distribution of such securities on behalf of the Investor by one or more broker-dealers, an "underwriting agreement" shall include any purchase agreement entered into by such broker-dealers, and any "registration statement" or "prospectus" shall include any offering document approved by the Company and used in connection with such distribution.

(p) Registered Sales of the Warrant. The Holders agree to sell the Warrant or any portion thereof under the Shelf Registration Statement only beginning 30 days after notifying the Company of any such sale, during which 30-day period the Investor and all Holders of the Warrant shall take reasonable steps to agree to revisions to the Warrant to permit a public distribution of the Warrant, including entering into a warrant agreement and appointing a warrant agent.

4.6 Voting of Warrant Shares. Notwithstanding anything in this Agreement to the contrary, the Investor shall not exercise any voting rights with respect to the Warrant Shares.

4.7 Depositary Shares. Upon request by the Investor at any time following the Closing Date, the Company shall promptly enter into a depositary arrangement, pursuant to customary agreements reasonably satisfactory to the Investor and with a depositary reasonably acceptable to the Investor, pursuant to which the Preferred Shares may be deposited and depositary shares, each representing a fraction of a Preferred Share as specified by the Investor, may be issued. From and after the execution of any such depositary arrangement, and the deposit of any Preferred Shares pursuant thereto, the depositary shares issued pursuant thereto shall be deemed "Preferred Shares" and, as applicable, "Registrable Securities" for purposes of this Agreement.

4.8 Restriction on Dividends and Repurchases.

(a) Prior to the earlier of (x) the third anniversary of the Closing Date and (y) the date on which the Preferred Shares have been redeemed in whole or the Investor has transferred all of the Preferred Shares to third parties which are not Affiliates of the Investor, neither the Company nor any Company Subsidiary shall, without the consent of the Investor:

(i) declare or pay any dividend or make any distribution on the Common Stock (other than (A) regular quarterly cash dividends of not more than the amount of the last quarterly cash dividend per share declared or, if lower, publicly announced an intention to declare, on the Common Stock prior to October 14, 2008, as adjusted for any stock split, stock dividend, reverse stock split, reclassification or similar transaction, (B) dividends payable solely in shares of Common Stock and (C) dividends or distributions of rights or Junior Stock in connection with a stockholders' rights plan); or

(ii) redeem, purchase or acquire any shares of Common Stock or other capital stock or other equity securities of any kind of the Company, or any trust preferred securities issued by the Company or any Affiliate of the Company, other than (A) redemptions, purchases or other acquisitions of the Preferred Shares, (B) redemptions, purchases or other acquisitions of shares of Common Stock or other Junior Stock, in each case in this clause (B) in connection with the administration of any employee benefit plan in the ordinary course of business (including purchases to offset the Share Dilution Amount (as defined below) pursuant to a publicly announced repurchase plan) and consistent with past practice; *provided* that any purchases to offset the Share Dilution Amount shall in no event exceed the Share Dilution Amount, (C) purchases or other acquisitions by a broker-dealer subsidiary of the Company solely for the purpose of market-making, stabilization or customer facilitation transactions in Junior Stock or Parity Stock in the ordinary course of its business, (D) purchases by a broker-dealer subsidiary of the Company of capital stock of the Company for resale pursuant to an offering by the Company of such capital stock underwritten by such broker-dealer subsidiary, (E) any redemption or repurchase of rights pursuant to any stockholders' rights plan, (F) the acquisition by the Company or any of the Company Subsidiaries of record ownership in Junior Stock or Parity Stock for the beneficial ownership of any other persons (other than the Company or any other Company Subsidiary), including as trustees or custodians, and (G) the exchange or conversion of Junior Stock for or into

other Junior Stock or of Parity Stock or trust preferred securities for or into other Parity Stock (with the same or lesser aggregate liquidation amount) or Junior Stock, in each case set forth in this clause (G), solely to the extent required pursuant to binding contractual agreements entered into prior to the Signing Date or any subsequent agreement for the accelerated exercise, settlement or exchange thereof for Common Stock (clauses (C) and (F), collectively, the "*Permitted Repurchases*"). "*Share Dilution Amount*" means the increase in the number of diluted shares outstanding (determined in accordance with GAAP, and as measured from the date of the Company's most recently filed Company Financial Statements prior to the Closing Date) resulting from the grant, vesting or exercise of equity-based compensation to employees and equitably adjusted for any stock split, stock dividend, reverse stock split, reclassification or similar transaction.

(b) Until such time as the Investor ceases to own any Preferred Shares, the Company shall not repurchase any Preferred Shares from any holder thereof, whether by means of open market purchase, negotiated transaction, or otherwise, other than Permitted Repurchases, unless it offers to repurchase a ratable portion of the Preferred Shares then held by the Investor on the same terms and conditions.

(c) "*Junior Stock*" means Common Stock and any other class or series of stock of the Company the terms of which expressly provide that it ranks junior to the Preferred Shares as to dividend rights and/or as to rights on liquidation, dissolution or winding up of the Company. "*Parity Stock*" means any class or series of stock of the Company the terms of which do not expressly provide that such class or series will rank senior or junior to the Preferred Shares as to dividend rights and/or as to rights on liquidation, dissolution or winding up of the Company (in each case without regard to whether dividends accrue cumulatively or non-cumulatively).

4.9 Repurchase of Investor Securities.

(a) Following the redemption in whole of the Preferred Shares held by the Investor or the Transfer by the Investor of all of the Preferred Shares to one or more third parties not affiliated with the Investor, the Company may repurchase, in whole or in part, at any time any other equity securities of the Company purchased by the Investor pursuant to this Agreement or the Warrant and then held by the Investor, upon notice given as provided in clause (b) below, at the Fair Market Value of the equity security.

(b) Notice of every repurchase of equity securities of the Company held by the Investor shall be given at the address and in the manner set forth for such party in Section 5.6. Each notice of repurchase given to the Investor shall state: (i) the number and type of securities to be repurchased, (ii) the Board of Director's determination of Fair Market Value of such securities and (iii) the place or places where certificates representing such securities are to be surrendered for payment of the repurchase price. The repurchase of the securities specified in the notice shall occur as soon as practicable following the determination of the Fair Market Value of the securities.

(c) As used in this Section 4.9, the following terms shall have the following respective meanings:

(i) "*Appraisal Procedure*" means a procedure whereby two independent appraisers, one chosen by the Company and one by the Investor, shall mutually agree upon the Fair Market Value. Each party shall deliver a notice to the other appointing its appraiser within 10 days after the Appraisal Procedure is invoked. If within 30 days after appointment of the two appraisers they are unable to agree upon the Fair Market Value, a third independent appraiser shall be chosen within 10 days thereafter by the mutual consent of such first two appraisers. The decision of the third appraiser so appointed and chosen shall be given within 30 days after the selection of such third appraiser. If three appraisers shall be appointed and the determination of one appraiser is disparate from the middle determination by more than twice the amount by which the other determination is disparate from the middle determination, then the determination of such appraiser shall be excluded, the remaining two determinations shall be averaged and such average shall be binding and conclusive upon the Company and the Investor; otherwise, the average of all three determinations shall be binding upon the Company and the Investor. The costs of conducting any Appraisal Procedure shall be borne by the Company.

(ii) "*Fair Market Value*" means, with respect to any security, the fair market value of such security as determined by the Board of Directors, acting in good faith in reliance on an opinion of a nationally recognized independent investment banking firm retained by the Company for this purpose and certified in a resolution to the Investor. If the Investor does not agree with the Board of Director's determination, it may object in writing within 10 days of receipt of the Board of Director's determination. In the event of such an objection, an authorized representative of the Investor and the chief executive officer of the Company shall promptly meet to resolve the objection and to agree upon the Fair Market Value. If the chief executive officer and the authorized representative are unable to agree on the Fair Market Value during the 10-day period following the delivery of the Investor's objection, the Appraisal Procedure may be invoked by either party to determine the Fair Market Value by delivery of a written notification thereof not later than the 30th day after delivery of the Investor's objection.

4.10 Executive Compensation. Until such time as the Investor ceases to own any debt or equity securities of the Company acquired pursuant to this Agreement or the Warrant, the Company shall take all necessary action to ensure that its Benefit Plans with respect to its Senior Executive Officers comply in all respects with Section 111(b) of the EESA as implemented by any guidance or regulation thereunder that has been issued and is in effect as of the Closing Date, and shall not adopt any new Benefit Plan with respect to its Senior Executive Officers that does not comply therewith. "*Senior Executive Officers*" means the Company's "senior executive officers" as defined in subsection 111(b)(3) of the EESA and regulations issued thereunder, including the rules set forth in 31 C.F.R. Part 30.

Article V
Miscellaneous

5.1 Termination. This Agreement may be terminated at any time prior to the Closing:

(a) by either the Investor or the Company if the Closing shall not have occurred by the 30th calendar day following the Signing Date; *provided, however,* that in the event the Closing has not occurred by such 30th calendar day, the parties will consult in good faith to determine whether to extend the term of this Agreement, it being understood that the parties shall be required to consult only until the fifth day after such 30th calendar day and not be under any obligation to extend the term of this Agreement thereafter; *provided, further,* that the right to terminate this Agreement under this Section 5.1(a) shall not be available to any party whose breach of any representation or warranty or failure to perform any obligation under this Agreement shall have caused or resulted in the failure of the Closing to occur on or prior to such date; or

(b) by either the Investor or the Company in the event that any Governmental Entity shall have issued an order, decree or ruling or taken any other action restraining, enjoining or otherwise prohibiting the transactions contemplated by this Agreement and such order, decree, ruling or other action shall have become final and nonappealable; or

(c) by the mutual written consent of the Investor and the Company. In the event of termination of this Agreement as provided in this Section 5.1, this Agreement shall forthwith become void and there shall be no liability on the part of either party hereto except that nothing herein shall relieve either party from liability for any breach of this Agreement.

5.2 Survival of Representations and Warranties. All covenants and agreements, other than those which by their terms apply in whole or in part after the Closing, shall terminate as of the Closing. The representations and warranties of the Company made herein or in any certificates delivered in connection with the Closing shall survive the Closing without limitation.

5.3 Amendment. No amendment of any provision of this Agreement will be effective unless made in writing and signed by an officer or a duly authorized representative of each party; *provided* that the Investor may unilaterally amend any provision of this Agreement to the extent required to comply with any changes after the Signing Date in applicable federal statutes. No failure or delay by any party in exercising any right, power or privilege hereunder shall operate as a waiver thereof nor shall any single or partial exercise thereof preclude any other or further exercise of any other right, power or privilege. The rights and remedies herein provided shall be cumulative of any rights or remedies provided by law.

5.4 Waiver of Conditions. The conditions to each party's obligation to consummate the Purchase are for the sole benefit of such party and may be waived by such party in whole or in part to the extent permitted by applicable law. No waiver will be effective unless it is in a

writing signed by a duly authorized officer of the waiving party that makes express reference to the provision or provisions subject to such waiver.

5.5 **Governing Law: Submission to Jurisdiction, Etc**. **This Agreement will be governed by and construed in accordance with the federal law of the United States if and to the extent such law is applicable, and otherwise in accordance with the laws of the State of New York applicable to contracts made and to be performed entirely within such State. Each of the parties hereto agrees (a) to submit to the exclusive jurisdiction and venue of the United States District Court for the District of Columbia and the United States Court of Federal Claims for any and all civil actions, suits or proceedings arising out of or relating to this Agreement or the Warrant or the transactions contemplated hereby or thereby, and (b) that notice may be served upon (i) the Company at the address and in the manner set forth for notices to the Company in Section 5.6 and (ii) the Investor in accordance with federal law. To the extent permitted by applicable law, each of the parties hereto hereby unconditionally waives trial by jury in any civil legal action or proceeding relating to this Agreement or the Warrant or the transactions contemplated hereby or thereby.**

5.6 Notices. Any notice, request, instruction or other document to be given hereunder by any party to the other will be in writing and will be deemed to have been duly given (a) on the date of delivery if delivered personally, or by facsimile, upon confirmation of receipt, or (b) on the second business day following the date of dispatch if delivered by a recognized next day courier service. All notices to the Company shall be delivered as set forth in Schedule A, or pursuant to such other instruction as may be designated in writing by the Company to the Investor. All notices to the Investor shall be delivered as set forth below, or pursuant to such other instructions as may be designated in writing by the Investor to the Company.

If to the Investor:

United States Department of the Treasury
1500 Pennsylvania Avenue, NW, Room 2312
Washington, D.C. 20220
Attention: Assistant General Counsel (Banking and Finance)
Facsimile: (202) 622-1974

5.7 Definitions

(a) When a reference is made in this Agreement to a subsidiary of a person, the term "*subsidiary*" means any corporation, partnership, joint venture, limited liability company or other entity (x) of which such person or a subsidiary of such person is a general partner or (y) of which a majority of the voting securities or other voting interests, or a majority of the securities or other interests of which having by their terms ordinary voting power to elect a majority of the board of directors or persons performing similar functions with respect to such entity, is directly or indirectly owned by such person and/or one or more subsidiaries thereof.

(b) The term "*Affiliate*" means, with respect to any person, any person directly or indirectly controlling, controlled by or under common control with, such other person. For purposes of this definition, "*control*" (including, with correlative meanings, the terms "*controlled by*" and "*under common control with*") when used with respect to any person, means the possession, directly or indirectly, of the power to cause the direction of management and/or policies of such person, whether through the ownership of voting securities by contract or otherwise.

(c) The terms "*knowledge of the Company*" or "*Company's knowledge*" mean the actual knowledge after reasonable and due inquiry of the "*officers*" (as such term is defined in Rule 3b-2 under the Exchange Act, but excluding any Vice President or Secretary) of the Company.

5.8 Assignment. Neither this Agreement nor any right, remedy, obligation nor liability arising hereunder or by reason hereof shall be assignable by any party hereto without the prior written consent of the other party, and any attempt to assign any right, remedy, obligation or liability hereunder without such consent shall be void, except (a) an assignment, in the case of a Business Combination where such party is not the surviving entity, or a sale of substantially all of its assets, to the entity which is the survivor of such Business Combination or the purchaser in such sale and (b) as provided in Section 4.5.

5.9 Severability. If any provision of this Agreement or the Warrant, or the application thereof to any person or circumstance, is determined by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions hereof, or the application of such provision to persons or circumstances other than those as to which it has been held invalid or unenforceable, will remain in full force and effect and shall in no way be affected, impaired or invalidated thereby, so long as the economic or legal substance of the transactions contemplated hereby is not affected in any manner materially adverse to any party. Upon such determination, the parties shall negotiate in good faith in an effort to agree upon a suitable and equitable substitute provision to effect the original intent of the parties.

5.10 No Third Party Beneficiaries. Nothing contained in this Agreement, expressed or implied, is intended to confer upon any person or entity other than the Company and the Investor any benefit, right or remedies, except that the provisions of Section 4.5 shall inure to the benefit of the persons referred to in that Section.

* * *

ANNEX A

FORM OF CERTIFICATE OF DESIGNATIONS

[SEE ATTACHED]

ANNEX B

FORM OF WAIVER

In consideration for the benefits I will receive as a result of my employer's participation in the United States Department of the Treasury's TARP Capital Purchase Program, I hereby voluntarily waive any claim against the United States or my employer for any changes to my compensation or benefits that are required to comply with the regulation issued by the Department of the Treasury as published in the Federal Register on October 20, 2008.

I acknowledge that this regulation may require modification of the compensation, bonus, incentive and other benefit plans, arrangements, policies and agreements (including so-called "golden parachute" agreements) that I have with my employer or in which I participate as they relate to the period the United States holds any equity or debt securities of my employer acquired through the TARP Capital Purchase Program.

This waiver includes all claims I may have under the laws of the United States or any state related to the requirements imposed by the aforementioned regulation, including without limitation a claim for any compensation or other payments I would otherwise receive, any challenge to the process by which this regulation was adopted and any tort or constitutional claim about the effect of these regulations on my employment relationship.

ANNEX C

FORM OF OPINION

(a) The Company has been duly incorporated and is validly existing as a corporation in good standing under the laws of the state of its incorporation.

(b) The Preferred Shares have been duly and validly authorized, and, when issued and delivered pursuant to the Agreement, the Preferred Shares will be duly and validly issued and fully paid and non-assessable, will not be issued in violation of any preemptive rights, and will rank *pari passu* with or senior to all other series or classes of Preferred Stock issued on the Closing Date with respect to the payment of dividends and the distribution of assets in the event of any dissolution, liquidation or winding up of the Company.

(c) The Warrant has been duly authorized and, when executed and delivered as contemplated by the Agreement, will constitute a valid and legally binding obligation of the Company enforceable against the Company in accordance with its terms, except as the same may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the enforcement of creditors' rights generally and general equitable principles, regardless of whether such enforceability is considered in a proceeding at law or in equity.

(d) The shares of Common Stock issuable upon exercise of the Warrant have been duly authorized and reserved for issuance upon exercise of the Warrant and when so issued in accordance with the terms of the Warrant will be validly issued, fully paid and non-assessable **[*insert, if applicable:*** , subject to the approvals of the Company's stockholders set forth on Schedule C**]**.

(e) The Company has the corporate power and authority to execute and deliver the Agreement and the Warrant and **[*insert, if applicable:*** , subject to the approvals of the Company's stockholders set forth on Schedule C,**]** to carry out its obligations thereunder (which includes the issuance of the Preferred Shares, Warrant and Warrant Shares).

(f) The execution, delivery and performance by the Company of the Agreement and the Warrant and the consummation of the transactions contemplated thereby have been duly authorized by all necessary corporate action on the part of the Company and its stockholders, and no further approval or authorization is required on the part of the Company **[*insert, if applicable:***, subject, in each case, to the approvals of the Company's stockholders set forth on Schedule C**]**.

(g) The Agreement is a valid and binding obligation of the Company enforceable against the Company in accordance with its terms, except as the same may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the enforcement of creditors' rights generally and general equitable principles, regardless of whether such enforceability is considered in a proceeding at law or in equity; *provided, however*, such counsel need express no opinion with respect to Section 4.5(g) or the severability provisions of the Agreement insofar as Section 4.5(g) is concerned.

ANNEX D

FORM OF WARRANT

[SEE ATTACHED]

SCHEDULE A

ADDITIONAL TERMS AND CONDITIONS

Company Information:

Name of the Company: Eagle Bancorp, Inc.

Corporate or other organizational form: Corporation

Jurisdiction of Organization: Maryland

Appropriate Federal Banking Agency: Federal Reserve Bank of Richmond

Notice Information:

Michael T. Flynn
Chief Operating Officer
Eagle Bancorp, Inc.
7815 Woodmont Avenue, Bethesda, Maryland 20814
240.497.2040 (phone);
mflynn@eaglebankcorp.com

with a copy to:

Noel M. Gruber, Esquire
Kennedy & Baris, LLP
4701 Sangamore Road, Suite P-15
Bethesda, Maryland 20816
301.229.2400 (x18); 301.229.2443 (fax)
nmgruber@kennedybaris.com

Terms of the Purchase:

Series of Preferred Stock Purchased: Fixed Rate Cumulative Perpetual Preferred Stock, Series A

Per Share Liquidation Preference of Preferred Stock: $1,000

Number of Shares of Preferred Stock Purchased: 38,235

Dividend Payment Dates on the Preferred Stock: February 15, May 15, August 15 and November 15

Number of Initial Warrant Shares: 770,867

Exercise Price of the Warrant: $7.44

Purchase Price: $38,235,000

Closing:

Location of Closing: Telephonic

Time of Closing: To be determined by parties

Date of Closing: December 5, 2008

Wire Information for Closing:

Exhibit 10.3

AMENDED AND RESTATED
EMPLOYMENT AGREEMENT

THIS AMENDED AND RESTATED EMPLOYMENT AGREEMENT ("Agreement") is made and entered into as of the 2nd day of December, 2008, by and among Eagle Bancorp, Inc., a Maryland corporation ("Bancorp), EagleBank, a Maryland chartered commercial bank (the "Bank"), and Michael T. Flynn ("Flynn").

RECITALS:

WHEREAS, the Bank and Flynn are parties to an Employment Agreement dated January 1, 2007 (the "Original Agreement"), pursuant to which Flynn serves as Executive Vice President and Chief Operating Officer of Bancorp and as Executive Vice President of the Bank; and

WHEREAS, the parties believe that amendment of the Original Agreement is appropriate in order to ensure that Section 409A(a)(1)(B) of the Internal Revenue Code does not impose additional tax and interest on payments to Flynn; and

WHEREAS, the parties believe that amendment of the Original Agreement is appropriate in order to ensure that the provisions thereof do not impede the ability of the Bank and its affiliates to receive funds from the U.S. Department of Treasury pursuant to the Troubled Assets Relief Plan Capital Purchase Program; and

WHEREAS, to accomplish the foregoing, the parties desire to hereby enter into this Agreement to supersede and replace the Original Agreement.

NOW, THEREFORE, in consideration of the premises and the mutual covenants and agreements set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound hereby, the parties hereto agree as follows:

1. Employment. Bancorp agrees to employ Flynn, and Flynn agrees to be employed as Executive Vice President and Chief Operating Officer of Bancorp and as Executive Vice President of the Bank, subject to the terms and provisions of this Agreement.

2. Certain Definitions. As used in this Agreement, the following terms have the meanings set forth below:

2.1 "Affiliate" means, with respect to any Person, (i) any Person directly or indirectly controlling, controlled by or under common control with such Person, (ii) any Person owning or controlling fifty percent (50%) or more of the outstanding voting interests of such Person, (iii) any officer, director, general partner, managing member, or trustee of, or Person serving in a similar capacity with respect to, such Person, or (iv) any Person who is an officer, director, general partner, member, trustee, or holder of fifty percent (50%) or more of the voting interests of any Person described in clauses (i), (ii), or (iii) of this sentence. For purposes of this definition, the terms "controlling," "controlled by," or "under common control with" shall mean the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities, by contract or otherwise.

2.2 "Bancorp" is defined in the Recitals.

2.3 "Bancorp Board" means the Board of Directors of Bancorp.

2.4 "Bank" is defined in the Recitals. If the Bank is merged into any other Entity, or transfers substantially all of its business operations or assets to another Entity, the term "Bank" shall be deemed to include such successor Entity for purposes of applying Article 8 of this Agreement.

2.5 "Bank Entities" means and includes any of the Bank, Bancorp and their Affiliates.

2.6 "Bank Regulatory Agency" means any governmental authority, regulatory agency, ministry, department, statutory corporation, central bank or other body of the United States or of any other country or of any state or other political subdivision of any of them having jurisdiction over the Bank or any transaction contemplated, undertaken or proposed to be undertaken by the Bank, including, but not necessarily be limited to:

(a) the Federal Deposit Insurance Corporation or any other federal or state depository insurance organization or fund;

(b) the Federal Reserve System, the Maryland Division of Financial Institutions, or any other federal or state bank regulatory or commissioner's office;

(c) any Person established, organized, owned (in whole or in part) or controlled by any of the foregoing; and

(d) any predecessor, successor or assignee of any of the foregoing.

2.7 "Board" means the Board of Directors of the Bank.

2.8 "Code" means the Internal Revenue Code of 1986, as amended.

2.9 "Competitive Business" means the banking and financial services business, which includes, without limitation, consumer savings, commercial banking, the insurance and trust business, the savings and loan business and mortgage lending, or any other business in which any of the Bank Entities is engaged or has invested significant resources within the prior six (6) month period in preparation for becoming actively engaged.

2.10 "Competitive Products or Services" means, as of any time, those products or services of the type that any of the Bank Entities is providing, or is actively preparing to provide, to its customers.

2.11 "Disability" means a mental or physical condition which, in the good faith opinion of the Board, renders Flynn, with reasonable accommodation, unable or incompetent to carry out the material job responsibilities which Flynn held or the material duties to which Flynn was assigned at the time the disability was incurred, which has existed for at least three (3) months and which in the opinion of a physician mutually agreed upon by the Bank and Flynn (*provided* that neither party shall unreasonably withhold such agreement) is expected to be permanent or to last for an indefinite duration or a duration in excess of nine (9) months.

2.12 "Expiration Date" means December 31, 2009.

2.13 "Person" means any individual or Entity.

2.14 "Section 409A" means Section 409A of the Code and the regulations and administrative guidance promulgated thereunder.

2.15 "Termination Date" means the Expiration Date or such earlier date on which the Term expires pursuant to Section 3.1 or is terminated pursuant to Section 7.2, 7.3, 7.4, or 7.5, as applicable.

Other terms are defined throughout this Agreement and have the meanings so given them.

3. Term; Position.

3.1 Term. Flynn's employment hereunder shall continue until the Expiration Date, unless extended in writing by both Bancorp and Flynn or sooner terminated in accordance with the provisions of this Agreement (the "Term").

3.2 Position. Bancorp shall employ Flynn to serve as Executive Vice President and Chief Operating Officer of Bancorp and as Executive Vice President of the Bank.

3.3 No Restrictions. Flynn represents and warrants to Bancorp that Flynn is not subject to any legal obligations or restrictions that would prevent or limit his entering into this Agreement and performing his responsibilities hereunder.

4. Duties of Flynn.

4.1 Nature and Substance. Flynn shall report directly to and shall be under the direction of the Chief Executive Officer of Bancorp. The specific powers and duties of Flynn shall be established, determined and modified by and within the discretion of the Bancorp Board.

4.2 Performance of Services. Flynn agrees to devote his full business time and attention to the performance of his duties and responsibilities under this Agreement, and shall use his best efforts and discharge his duties to the best of his ability for and on behalf of Bancorp and the Bank and toward their successful operation. Flynn agrees that, without the prior written consent of the Board, he will not during the Term, directly or indirectly, perform services for or obtain a financial or ownership interest in any other Entity (an "Outside Arrangement") if such Outside Arrangement would interfere with the satisfactory performance of his duties to Bancorp and/or the Bank, present a conflict of interest with Bancorp and/or the Bank, breach his duty of loyalty or fiduciary duties to the Bancorp and/or the Bank, or otherwise conflict with the provisions of this Agreement. Flynn shall promptly notify the Bancorp Board of any Outside Arrangement, provide Bancorp with any written agreement in connection therewith and respond fully and promptly to any questions that the Bancorp Board may ask with respect to any Outside Arrangement. If the Bancorp Board determines that Flynn's participation in an Outside Arrangement would interfere with his satisfactory performance of his duties to Bancorp and/or the Bank, present a conflict of interest with Bancorp and/or the Bank, breach his duty of loyalty or fiduciary duties to Bancorp and/or the Bank, or otherwise conflict with the provisions of this Agreement, Flynn shall not undertake, or shall cease, such Outside Arrangement as soon as feasible after the Bancorp Board notifies him of such determination. Notwithstanding any provision hereof to the contrary, this Section 4.2 does not restrict Flynn's right to own securities of any Entity that files periodic reports with the Securities and Exchange Commission under Section 13 or 15(d) of the Securities Exchange Act of 1934, as amended; provided that his total ownership constitutes less than two percent (2%) of the outstanding securities of such company.

4.3 Compliance with Law. Flynn shall comply with all laws, statutes, ordinances, rules and regulations relating to his employment and duties.

5. Compensation; Benefits. As full compensation for all services rendered pursuant to this Agreement and the covenants contained herein, the Bank shall pay to Flynn the following:

5.1 Salary. Through the end of the Term, Flynn shall be paid a salary ("Salary") of Two Hundred Forty-three Thousand One Hundred One Dollars ($243,101.00) on an annualized basis. The Bank shall pay Flynn's Salary in equal installments in accordance with the Bank's regular payroll periods as may be set by the Bank from time to time. Flynn's Salary may be further increased from time to time, at the discretion of the Bancorp Board. Flynn may also be entitled to certain incentive bonus payments as determined by Bancorp Board approved incentive plans.

5.2 Withholding. Payments of Salary shall be subject to the customary withholding of income and other employment taxes as is required with respect to compensation paid by an employer to an employee.

5.3 Vacation and Leave. Flynn shall be entitled to such vacation and leave as may be provided for under the current and future leave and vacation policies of the Bank for executive officers.

5.4 Office Space. The Bank will provide customary office space and office support to Flynn.

5.5 Parking. Paid parking at Flynn's regular worksite will be provided by the Bank at its expense.

5.6 Car Allowance. The Bank will pay Flynn a monthly car allowance of Seven Hundred Fifty Dollars ($750.00).

5.7 Non-Life Insurance. The Bank will provide Flynn with group health, disability and other insurance as the Bank may determine appropriate for all employees of the Bank.

5.8 Life Insurance.

5.8.1 Flynn may obtain a term life insurance policy (the "Policy") on Flynn in the amount of Seven Hundred Fifty Thousand Dollars ($750,000.00), the particular product and carrier to be chosen by Flynn in his discretion. Flynn shall have the right to designate the beneficiary of the Policy. If the Policy is obtained, Flynn shall provide the Bank with a copy of the Policy, and the Bank will pay, during the Term of this Agreement, the premiums for the Policy upon submission by Flynn to the Bank of the invoices therefor. In the event Flynn is rated and the premium exceeds the standard rate for a Seven Hundred Fifty Thousand Dollar ($750,000.00) policy, the Policy amount shall be lowered to the maximum amount that can be purchased at the standard rate for a Seven Hundred Fifty Thousand Dollar ($750,000.00) policy. For example, if Flynn is rated and the standard rate for a Seven Hundred Fifty Thousand Dollar ($750,000.00) policy would acquire a Five Hundred Thousand Dollar ($500,000.00) policy, the Bank would only be required to pay the premium for a Five Hundred Thousand Dollar ($500,000.00) policy. If a Policy is obtained and it is cancelled or terminated, Flynn shall immediately notify the Bank of such cancellation or termination.

5.8.2 Bancorp and/or the Bank may, at its/their cost, obtain and maintain "key-man" life insurance and/or Bancorp- and/or Bank-owned life insurance on Flynn in such amount as determined by the Bancorp Board from time to time. Flynn agrees to cooperate fully and to take all actions reasonably required by Bancorp and/or the Bank in connection with such insurance.

5.9 Expenses. The Bank shall, promptly upon presentation of proper expense reports therefor, pay or reimburse Flynn, in accordance with the policies and procedures established from time to time by the Bank for its officers, for all reasonable and customary travel (other than local use of an automobile for which Flynn is being provided the car allowance) and other out-of-pocket expenses incurred by Flynn in the performance of his duties and responsibilities under this Agreement and promoting the business of the Bank, including approved membership fees, dues and the cost of attending business related seminars, meetings and conventions.

5.10 Retirement Plans. Flynn shall be entitled to participate in any and all qualified pension or other retirement plans of the Bank which may be applicable to personnel of the Bank.

5.11 Other Benefits. While this Agreement is in effect, Flynn shall be entitled to all other benefits that the Bank provides from time to time to its officers.

5.12 Eligibility. Participation in any health, life, accident, disability, medical expense or similar insurance plan or any qualified pension or other retirement plan shall be subject to the terms and conditions contained in such plan. All matters of eligibility for benefits under any insurance plans shall be determined in accordance with the provisions of the applicable insurance policy issued by the applicable insurance company.

5.13 Equity Compensation. Flynn shall be eligible to receive awards of options, SARs and /or Restricted Stock under the 2006 Stock Plan of Bancorp, from time to time, at the discretion of the 2006 Plan Committee or Compensation Committee of the Bancorp Board.

6. Conditions Subsequent to Continued Operation and Effect of Agreement.

6.1 Continued Approval by Bank Regulatory Agencies. This Agreement and all of its terms and conditions, and the continued operation and effect of this Agreement and Bancorp's and the Bank's continuing obligations hereunder, shall at all times be subject to the continuing approval of any and all Bank Regulatory Agencies whose approval is a necessary prerequisite to the continued operation of the Bank. Should any term or condition of this Agreement, upon review by any Bank Regulatory Agency, be found to violate or not be in compliance with any then-applicable statute or any rule, regulation, order or understanding promulgated by any Bank Regulatory Agency, or should any term or condition required to be included herein by any such Bank

Regulatory Agency be absent, this Agreement may be rescinded and terminated by Bancorp if the parties hereto cannot in good faith agree upon such additions, deletions or modifications as may be deemed necessary or appropriate to bring this Agreement into compliance.

7. Termination of Agreement. Prior to the Expiration Date, the Term of this Agreement may be terminated as provided below in this Article 7.

7.1 Definition of Cause. For purposes of this Agreement, "Cause" means:

(a) any act of theft, fraud, intentional misrepresentation, personal dishonesty or breach of fiduciary duty involving personal gain or similar conduct by Flynn with respect to the Bank Entities or the services to be rendered by him under this Agreement;

(b) any failure of this Agreement to comply with any Bank Regulatory Agency requirement which is not cured in accordance with Section 6.1 within a reasonable period of time after written notice thereof;

(c) any Bank Regulatory Agency action or proceeding against Flynn as a result of his negligence, fraud, malfeasance or misconduct;

(d) indictment of Flynn, or Flynn's conviction or plea of *nolo contendere* at the trial court level, of a felony, or any crime of moral turpitude, or involving dishonesty, deception or breach of trust;

(e) any of the following conduct on the part of Flynn that Flynn has not corrected or cured within thirty (30) days after having received written notice from Bancorp detailing and describing such conduct (provided, however, that Bancorp shall not be required to provide Flynn with notice and opportunity to cure more than two (2) times in any twelve (12) month period):

(i) habitual absenteeism, or the failure by or the inability of Flynn to devote full time attention and energy to the performance of Flynn's duties pursuant to this Agreement (other than by reason of his death or Disability);

(ii) intentional material failure by Flynn to carry out the explicit lawful and reasonable directions, instructions, policies, rules, regulations or decisions of the Bancorp Board which are consistent with his position;

(iii) willful or intentional misconduct on the part of Flynn that results, or that the Bancorp Board in good faith determines may result, in substantial injury to any Bank Entity; or

(iv) any action (including any failure to act) or conduct by Flynn in violation of a material provision of this Agreement (including but not limited to the provisions of Article 8 hereof, which shall be deemed to be material); or

(f) the use of drugs, alcohol or other substances by Flynn to an extent which materially interferes with or prevents Flynn from performing his duties under this Agreement;

(g) the determination by the Bancorp Board, in the exercise of its reasonable judgment and in good faith, that Flynn's job performance is substantially unsatisfactory and that he has failed to cure such performance within a reasonable period (but in no event more than thirty (30) days) after written notice specifying in reasonable detail the nature of the unsatisfactory performance; or

(h) Flynn's commission of unethical business practices, acts of moral turpitude, financial impropriety, fraud or dishonesty in any material matter which the Bancorp Board in good faith determines could adversely affect the reputation, standing or financial prospects of any Bank Entity.

7.2 Termination by Bancorp for Cause. After the occurrence of any of the conditions specified in Section 7.1, Bancorp shall have the right to terminate the Term for Cause immediately on written notice to Flynn.

7.3 Termination by Bancorp without Cause. Bancorp shall have the right to terminate the Term at any time on written notice without Cause, for any or no reason, such termination to be effective on the date on which Bancorp gives such notice to Flynn or such later date as may be specified in such notice.

7.4 Termination for Death or Disability. The Term shall automatically terminate upon the death of Flynn or upon the Bancorp Board's determination that Flynn is suffering from a Disability.

7.5 Termination by Flynn. Flynn shall have the right to terminate the Term at any time, such termination to be effective on the date ninety (90) days after the date on which Flynn gives such notice to Bancorp unless Flynn and the Bank agree in writing to a later date on which such termination is to be effective. After receiving notice of termination, Bancorp may require Flynn to devote his good faith energies to transitioning his duties to his successor and to otherwise helping to minimize the adverse impact of his resignation upon the operations of Bancorp and the Bank. If Flynn fails or refuses to fully cooperate with such transition, Bancorp may immediately terminate Flynn, in which case the Bank shall no longer have any obligation to pay any Salary or provide any benefits to him, but solely for purposes of Sections 8.5 and 8.6 below, the Termination Date shall be the date ninety (90) days after the date on which Flynn gives notice of termination to Bancorp pursuant to the first sentence of this Section 7.5, or the later date referred to therein, whichever is later.

7.6 Pre-Termination Salary and Expenses. Without regard to the reason for, or the timing of, the termination or expiration of the Term: (a) the Bank shall pay Flynn any unpaid Salary due for the period prior to the Termination Date; and (b) following submission of proper expense reports by Flynn, the Bank shall reimburse Flynn for all expenses incurred prior to the Termination Date and subject to reimbursement pursuant to Section 5.9 hereof. These payments shall be made promptly upon termination and within the period of time mandated by law.

7.7 Severance if Termination by Bancorp without Cause. Provided that Flynn signs and delivers to Bancorp no later than twenty-one (21) days after the Termination Date a General Release and Waiver in the form attached to this Agreement as Exhibit A, and except as set forth below, if the Term is terminated by Bancorp during the Term without Cause, the Bank shall, for a period of one (1) year following the Termination Date, (i) continue to pay Flynn, in the manner set forth below, Flynn's Salary at the rate being paid as of the Termination Date, and (ii) if Flynn timely elects to continue his health insurance benefits under COBRA, pay to the insurer Flynn's premiums for health insurance benefits continuation (for so long as Flynn remains qualified for such continuation under COBRA); provided, however, that Flynn shall not be entitled to any such payments if he is otherwise entitled to payments pursuant to Section 9.4 in relation to a Change in Control. Any payments due Flynn pursuant to this Section 7.7 shall be paid to Flynn in installments on the same schedule as Flynn was paid immediately prior to the Termination Date, each installment to be the same amount Flynn would have been paid under this Agreement if he had not been terminated. In the event Flynn breaches any provision of Article 8 of this Agreement, Flynn's entitlement to any payments payable pursuant to this Section 7.7, if and to the extent not yet paid, shall thereupon immediately cease and terminate as of the date of such breach, with Flynn having the obligation to repay to the Bank any payments that were paid to him and any payments for health insurance benefits continuation pursuant to this Section 7.7 with respect to the period after such breach occurred and before such breach became known to either Bancorp or the Bank. Furthermore, if termination was initially not for Cause but Bancorp thereafter determines in good faith that, during the Term, Flynn had engaged in conduct that would have constituted Cause, Flynn's entitlement to any payments pursuant to this Section 7.7 shall terminate retroactively to the Termination Date, with Flynn having the obligation to repay to the Bank all payments that were paid to him and any payments for health insurance benefits continuation pursuant to this Section 7.7, and, upon the return of all such payments, said General Release and Waiver shall be deemed rescinded and of no force or effect. Notwithstanding anything to the contrary in this Section 7.7, any payment pursuant to this Section shall be subject to (i) any delay in payment required by Section 10.3 hereof and (ii) any reduction required pursuant to Section 10.2 hereof.

7.8 Termination After Change in Control. Sections 9.2 and 9.3 set out provisions applicable to certain circumstances in which the Term may be terminated after Change in Control.

8. Confidentiality; Non-Competition; Non-Interference.

8.1 Confidential Information. Flynn, during employment, will have, and has had, access to and become familiar with various confidential and proprietary information of the Bank Entities and/or relating to the business of the Bank Entities ("Confidential Information"), including, but not limited to: business plans; operating results; financial statements and financial information; contracts; mailing lists; purchasing information; customer data (including lists, names and requirements); feasibility studies; personnel related information (including compensation, compensation plans, and staffing plans); internal working documents and communications; and other materials related to the businesses or activities of the Bank Entities which is made available only to employees with a need to know or which is not generally made available to the public. Failure to mark any Confidential Information as confidential, proprietary or protected information shall not affect its status as part of the Confidential Information subject to the terms of this Agreement.

8.2 Nondisclosure. Flynn hereby covenants and agrees that he shall not, directly or indirectly, disclose or use, or authorize any Person to disclose or use, any Confidential Information (whether or not any of the Confidential Information is novel or known by any other Person); provided however, that this restriction shall not apply to the use or disclosure of Confidential Information (i) to any governmental entity to the extent required by law, (ii) which is or becomes publicly known and available through no wrongful act of Flynn or any Affiliate of Flynn or (iii) in connection with the performance of Flynn's duties under this Agreement.

8.3 Nondisclosure of this Agreement. The terms, conditions and fact of this Agreement are strictly confidential. From and after the date of execution of this Agreement, Flynn agrees not to disclose, directly or indirectly, the existence of this Agreement or any of the terms and conditions herein to any Person except that Flynn may disclose the existence of this Agreement or the terms and conditions herein to Flynn's immediate family, tax, financial or legal advisers, prospective employers (with whom Flynn's employment is not prohibited by Section 8.5), any taxing authority, or as required by law. If Flynn is asked about the existence and/or terms and conditions of this Agreement, Flynn is permitted to state only that "the terms of my employment are a confidential matter that I am not able to disclose." Flynn acknowledges that the terms of this Section 8.3 are a material inducement for the Bancorp and the Bank to enter into this Agreement. Notwithstanding the foregoing, Flynn may disclose such information regarding this Agreement as may be disclosed by the Bank Entities in any document filed with the Securities and Exchange Commission.

8.4 Documents. All files, papers, records, documents, compilations, summaries, lists, reports, notes, databases, tapes, sketches, drawings, memoranda, and similar items (collectively, "Documents"), whether prepared by Flynn, or otherwise provided to or coming into the possession of Flynn, that contain any proprietary information about or pertaining or relating to the Bank Entities (the "Bank Information") shall at all times remain the exclusive property of the Bank Entities. Promptly after a request by Bancorp or the Bank or the Termination Date, Flynn shall take reasonable efforts to (i) return to Bancorp and/or the Bank all Documents in any tangible form (whether originals, copies or reproductions) and all computer disks or other media containing or embodying any Document or Bank Information and (ii) purge and destroy all Documents and Bank Information in any intangible form (including computerized, digital or other electronic format) as may be requested in writing by the Chief Executive Officer of Bancorp or the Chairman of the Board of Bancorp, and Flynn shall not retain in any form any such Document or any summary, compilation, synopsis or abstract of any Document or Bank Information.

8.5 Non-Competition. Flynn hereby acknowledges and agrees that, during the course of employment, Flynn has become, and will become, familiar with and involved in all aspects of the business and operations of the Bank Entities. Flynn hereby covenants and agrees that from the Commencement Date until the later to occur of (a) the date one (1) year after the Termination Date, or (b) the Expiration Date (the "Restricted Period"), Flynn will not at any time (except for the Bank Entities), directly or indirectly, in any capacity (whether as a proprietor, owner, agent, officer, director, shareholder, organizer, partner, principal, manager, member, employee, contractor, consultant or otherwise) provide any advice, assistance or services to any Competitive Business or to any Person that is attempting to form or acquire a Competitive Business if such Competitive Business operates, or is planning to operate, any office, branch or other facility (in any case, a "Branch") that is (or is proposed to be) located within a thirty-five (35) mile radius of Bancorp's headquarters or any Branch of the Bank Entities. Notwithstanding any provision hereof to the contrary, this Section 8.5 does not restrict Flynn's right to (i) own securities of any Entity

that files periodic reports with the Securities and Exchange Commission under Section 13 or 15(d) of the Securities Exchange Act of 1934, as amended; provided that his total ownership constitutes less than two percent (2%) of the outstanding securities of such company.

8.6 Non-Interference. Flynn hereby covenants and agrees that during the Restricted Period, he will not, directly or indirectly, for himself or any other Person (whether as a proprietor, owner, agent, officer, director, shareholder, organizer, partner, principal, member, manager, employee, contractor, consultant or any other capacity):

(a) induce or attempt to induce any customer, supplier, officer, director, employee, contractor, consultant, agent or representative of, or any other Person that has a business relationship with any Bank Entity, to discontinue, terminate or reduce the extent of its, his or her relationship with any Bank Entity or to take any action that would disrupt or otherwise be disadvantageous to any such relationship;

(b) solicit any customer of any of the Bank Entities for the purpose of providing any Competitive Products or Services to such customer (other than any solicitation to the general public that is not disproportionately directed at customers of any Bank Entity); or

(c) solicit any employee of any of the Bank Entities to commence employment with, become a consultant or independent contractor to or otherwise provide services for the benefit of any other Competitive Business

In applying this Section 8.6:

(i) the term "customer" shall be deemed to include, at any time, any Person to which any of the Bank Entities had, during the six (6) month period immediately prior to such time, (A) sold any products or provided any services or (B) submitted, or been in the process of submitting or negotiating, a proposal for the sale of any product or the provision of any services;

(ii) the term "supplier" shall be deemed to include, at any time, any Person which, during the six (6) month period immediately prior to such time, (A) had sold any products or services to any of the Bank Entities or (B) had submitted to any of the Bank Entities a proposal for the sale of any products or services;

(iii) for purposes of clause (c), the term "employee" shall be deemed to include, at any time, any Person who was employed by any of the Bank Entities within the prior six (6) month period (thereby prohibiting Flynn from soliciting any Person who had been employed by any of the Bank Entities until six (6) months after the date on which such Person ceased to be so employed); and

(iv) If during the Restricted Period any employee of any of the Bank Entities accepts employment with or is otherwise retained by any Competitive Business of which Flynn is an owner, director, officer, manager, member, employee, partner or employee, or to which Flynn provides material services, it shall be presumed that such employee was hired in violation of the restriction set forth in clause (c) of this Section 8.6, with such presumption to be overcome only upon Flynn's showing by a preponderance of the evidence that he was not directly or indirectly involved in the hiring, soliciting or encouraging such employee to leave employment with the Bank Entities.

8.7 Injunction. In the event of any breach or threatened or attempted breach of any provision of this Article 8 by Flynn, Bancorp and/or the Bank shall, in addition to and not to the exclusion of any other rights and remedies at law or in equity, be entitled to seek and receive from any court of competent jurisdiction (i) full temporary and permanent injunctive relief enjoining and restraining Flynn and each and every other Person concerned therein from the continuation of such violative acts and (ii) a decree for specific performance of the applicable provisions of this Agreement, without being required to furnish any bond or other security.

8.8 Reasonableness.

8.8.1 Flynn has carefully read and considered the provisions of this Article 8 and, having done so, agrees that the restrictions and agreements set forth in this Article 8 are fair and reasonable and are reasonably required for the protection of the interests of the Bank Entities and their respective businesses, shareholders, directors, officers and employees. Flynn further agrees that the restrictions set forth in this Agreement will not impair or unreasonably restrain his ability to earn a livelihood.

8.8.2 If any court of competent jurisdiction should determine that the duration, geographical area or scope of any provision or restriction set forth in this Article 8 exceeds the maximum duration, geographic area or scope that is reasonable and enforceable under applicable law, the parties agree that said provision shall automatically be modified and shall be deemed to extend only over the maximum duration, geographical area and/or scope as to which such provision or restriction said court determines to be valid and enforceable under applicable law, which determination the parties direct the court to make, and the parties agree to be bound by such modified provision or restriction.

9. Change in Control.

9.1 Definition. "Change in Control" means and shall be deemed to have occurred if:

(a) there shall be consummated (i) any consolidation, merger, share exchange, or similar transaction relating to Bancorp, or pursuant to which shares of Bancorp's capital stock are converted into cash, securities of another Entity and/or other property, other than a transaction in which the holders of Bancorp'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, or (ii) any sale of all or substantially all of the assets of Bancorp, 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 U.S. Treasury Regulations;

(b) any person, entity or group (each within the meaning of Sections 13(d) and 14(d)(2) of the Securities Exchange Act of 1934, as amended (the "Exchange Act")) shall become the beneficial owner (within the meaning of Rules 13d-3 and 13d-5 under the Exchange Act), directly or indirectly, of securities of Bancorp representing more than fifty percent (50%) of the voting power of all outstanding securities of Bancorp entitled to vote generally in the election of directors of Bancorp (including, without limitation, any securities of Bancorp that any such Person has the right to acquire pursuant to any agreement, or upon exercise of conversion rights, warrants or options, or otherwise, which shall be deemed beneficially owned by such Person); or

(c) over a twelve (12) month period, a majority of the members of the Board of Directors of Bancorp are replaced by directors whose appointment or election was not endorsed by a majority of the members of the Board of Directors of Bancorp in office prior to such appointment or election.

Notwithstanding the foregoing, if the event purportedly constituting a Change in Control under Section 9.1(a), Section 9.1(b), or Section 9.1(c) does not also constitute a "change in ownership" of Bancorp, a "change in effective control" of Bancorp, or a "change in the ownership of a substantial portion of the assets" of Bancorp within the meaning of Section 409A, then such event shall not constitute a "Change in Control" hereunder.

9.2 Change in Control Termination. For purposes of this Agreement, a "Change in Control Termination" means that while this Agreement is in effect:

(a) Flynn's employment with Bancorp and the Bank is terminated without Cause (i) within one hundred twenty (120) days immediately prior to and in conjunction with a Change in Control or (ii) within twelve (12) months following consummation of a Change in Control; or

(b) Within twelve (12) months following consummation of a Change in Control, Flynn's title, duties and or position have been materially reduced such that Flynn is not in a comparable position (with materially comparable compensation, benefits and responsibilities and is located within twenty-five (25) miles of Flynn's primary worksite) to the position he held immediately prior to the Change in Control, and within thirty (30) days

after notification of such reduction he notifies Bancorp that he is terminating his employment due to such change in his employment unless such change is cured within thirty (30) days of such notice by providing him with a comparable position (including materially comparable compensation and benefits and is located within twenty-five (25) miles of Flynn's primary worksite). If Flynn's employment is terminated under this Section, his last day of employment shall be mutually agreed to by Flynn and the Bank, but shall be not more than sixty (60) days after such notice is given by Flynn.

9.3 Window Period Resignation After Change in Control. If at the expiration of the twelve (12) month period following consummation of a Change in Control (the "Action Period"), Flynn's employment by Bancorp and the Bank has not been terminated, Flynn may, by giving written notice to Bancorp within the thirty (30) day period immediately following the last day of the Action Period, elect to terminate the Term, in which event his last day of employment will be as mutually agreed to by Bancorp and Flynn but which shall be not more than sixty (60) days after such notice is given by Flynn.

9.4 Change in Control Payment. If there is a Change in Control Termination pursuant to Section 9.2 or Flynn resigns after the Action Period pursuant to Section 9.3, Flynn shall be paid a lump-sum cash payment (the "Change Payment") equal to 2.99 times Flynn's Salary at the highest rate in effect during the twelve (12) month period immediately preceding his Termination Date, such Change Payment to be made to Flynn within forty-five (45) days after the later of (i) his Termination Date or (ii) the date of the Change in Control, the exact date of payment to be determined in the sole discretion of the Bank; provided, however, that the Bank shall be relieved of its obligation to pay the Change Payment if Flynn fails to sign and deliver to Bancorp no later than twenty-one (21) days after the Termination Date a General Release and Waiver in the form attached to this Agreement as Exhibit A. Notwithstanding anything to the contrary in this Section 9.4, any payment pursuant to this Section shall be subject to (i) any delay in payment required by Section 10.3 hereof and (ii) any reduction required pursuant to Section 10.2 hereof, as applicable.

10. Compliance with Certain Restrictions.

10.1 Certain Defined Terms. For purposes of this Agreement, the following terms are defined as follows:

(a) "Additional 280G Payments" means any distributions in the nature of compensation by any Bank Entity to or for the benefit of Flynn (including, but not limited to, the value of acceleration in vesting in restricted stock, options or any other stock-based compensation), whether or not paid or payable or distributed or distributable pursuant to this Agreement, which is required to be taken into consideration in applying Section 280G(b)(2)(A) of the Code;

(b) "Applicable Severance" means Flynn's severance from employment by reason of involuntary termination by Bancorp or in connection with any bankruptcy, liquidation or receivership of the Bank or any other entity that is treated as the same employer under EESA, in each case as determined under the regulations implementing Section 111(b) of EESA;

(c) Authorities Period" means the period under which the authorities of Section 101 of EESA are in effect, as determined pursuant to Section 120 thereof;

(d) "Determining Firm" means a reputable law or accounting firm selected by the Bank to make a determination pursuant to this Article 10;

(e) "EESA" means the Emergency Economic Stabilization Act of 2008, Public Law 110-343, as implemented by any guidance or regulations thereunder;

(f) "Incentive Compensation" means all bonus and other incentive-based compensation, as those terms are applied under EESA;

(g) "Parachute Payment" is defined as set forth in Section 280G(b)(2) of the Code, with amounts payable during the Authorities Period upon Applicable Severance being specifically included in applying such provision;

(h) "Total Change in Control Payments" means the total amount of the Change Payment together with all Additional 280G Payments that are required to be paid because of a Change in Control; and

(i) "Total Severance Payments" means the total amount of payments, including Additional 280G Payments, that are required to be paid to Flynn but that would not have been payable to him if no Applicable Severance had occurred.

10.2 Compliance with Section 280G.

(a) Notwithstanding anything in this Agreement to the contrary, if any amount becomes payable to Flynn because of an Applicable Severance and (ii) the Determining Firm determines that any portion of the Total Severance Payments would otherwise constitute a Parachute Payment, the amount payable to Flynn shall automatically be reduced by the smallest amount necessary so that no portion of the Total Severance Payments will be a Parachute Payment. If Total Severance Payments are to be paid in other than a lump sum, such reduction shall be applied in inverse order to the time at which the payments are scheduled to be made (e.g., the last scheduled payment will be the first such payment to be reduced). If, despite the foregoing sentence, a payment shall be made to Flynn that would constitute a Parachute Payment, Flynn shall have no right to retain such payment, and, immediately upon being informed of the impropriety of such payment, Flynn shall return such payment to the Bank or other Bank Entity that was the payer thereof, together with interest at the applicable federal rate determined pursuant to Section 1274(d) of the Code.

(b) Notwithstanding anything in this Agreement to the contrary, other than Section 10.2(a) above, if the Determining Firm determines that any portion of the Total Change in Control Payments would otherwise constitute a Parachute Payment, the amount payable to Flynn shall automatically be reduced by the smallest amount necessary so that no portion of the Total Change in Control Payments will be a Parachute Payment. If Total Change in Control Payments are to be paid in other than a lump sum, such reduction shall be applied in inverse order to the time at which the payments are scheduled to be made (e.g., the last scheduled payment will be the first such payment to be reduced). If, despite the foregoing sentence, a payment shall be made to Flynn that would constitute a Parachute Payment, Flynn shall have no right to retain such payment and, immediately upon being informed of the impropriety of such payment, Flynn shall return such payment to the Bank or other Bank Entity that was the payer thereof, together with interest at the applicable federal rate determined pursuant to Section 1274(d) of the Code.

10.3 Compliance with Section 409A.

(a) It is the intention of the parties hereto that this Agreement and the payments provided for hereunder shall not be subject to, or shall be in accordance with, Section 409A, and thus avoid the imposition of any tax and interest on Flynn pursuant to Section 409A(a)(1)(B) of the Code, and this Agreement shall be interpreted and construed consistent with this intent. Flynn acknowledges and agrees that he shall be solely responsible for the payment of any tax or penalty which may be imposed or to which he may become subject as a result of the payment of any amounts under this Agreement.

(b) Notwithstanding any provision of this Agreement to the contrary, if Flynn is a "specified employee" at the time of his "separation from service", any payment of "nonqualified deferred compensation" (in each case as determined pursuant to Section 409A) that is otherwise to be paid to Flynn within six (6) months following his separation from service, then to the extent that such payment would otherwise be subject to interest and additional tax under Section 409A(a)(1)(B) of the Code, such payment shall be delayed and shall be paid on the first business day of the seventh calendar month following Flynn's separation from service, or, if earlier, upon Flynn's death. Any deferral of payments pursuant to the foregoing sentence shall have no effect on any payments that are scheduled to be paid more than six (6) months after the date of separation from service.

(c) The parties hereto agree that they shall take such actions as may be necessary and permissible under applicable law, regulation and guidance to amend or revise this Agreement in order to ensure that Section 409A(a)(1)(B) does not impose additional tax and interest on payments made pursuant to this Agreement.

10.4 Clawback if Material Inaccuracy. If any Incentive Compensation that is paid to Flynn by the Bank or any other Bank Entity while the U.S. Treasury holds any equity securities in Bancorp is based on any materially inaccurate financial statement or other materially inaccurate performance metric criteria, as those terms are applied under EESA, Flynn shall be required to disgorge and pay over to the Bank or such other Bank Entity all such Incentive Compensation, together with interest at the applicable federal rate determined pursuant to Section 1274(d) of the Code.

11. Assignability. Flynn shall have no right to assign this Agreement or any of his rights or obligations hereunder to another party or parties. Bancorp and/or the Bank may assign this Agreement to any other Bank Entity or to any Person that acquires a substantial portion of the operating assets of Bancorp or the Bank. Upon any such assignment, references in this Agreement to Bancorp or the Bank, as the case may be, shall automatically be deemed to refer to such assignee instead of, or in addition to, Bancorp or the Bank, as the case may be and as appropriate in the context.

12. Governing Law; Venue. This Agreement shall be governed by and construed in accordance with the laws of the State of Maryland applicable to contracts executed and to be performed therein, without giving effect to the choice of law rules thereof. Any action to enforce any provision of this Agreement may be brought only in a court of the State of Maryland or in the United States District Court for the District of Maryland. Accordingly, each party (a) agrees to submit to the jurisdiction of such courts and to accept service of process at its address for notices and in the manner provided in Section 13 for the giving of notices in any such action or proceeding brought in any such court and (b) irrevocably waives any objection to the laying of venue of any such proceeding brought in such a court and any claim that any such proceeding brought in such a court has been brought in an inconvenient or inappropriate forum.

13. Notices. All notices, requests, demands and other communications required to be given or permitted to be given under this Agreement shall be in writing and shall be conclusively deemed to have been given as follows: (a) when hand delivered to the other party; (b) when received by facsimile at the facsimile number set forth below, provided, however, that any notice given by facsimile shall not be effective unless either (i) a duplicate copy of such facsimile notice is promptly given by depositing the same in a United States post office first-class postage prepaid and addressed to the applicable party as set forth below or (ii) the receiving party delivers a written confirmation of receipt for such notice either by facsimile or by any other method permitted under this Section; or (c) when deposited in a United States post office with first-class certified mail, return receipt requested, postage prepaid and addressed to the applicable party as set forth below; or (d) when deposited with a national overnight delivery service reasonably approved by the parties (Federal Express and DHL WorldWide Express being deemed approved by the parties), postage prepaid, addressed to the applicable party as set forth below with next-business-day delivery guaranteed; provided that the sending party receives a confirmation of delivery from the delivery service provider. Any notice given by facsimile shall be deemed received on the date on which notice is received except that if such notice is received after 5:00 p.m. (recipient's time) or on a non-business day, notice shall be deemed given the next business day). Any notice sent by Untied States mail shall be deemed given three (3) business days after the same has been deposited in the United States mail. Any notice given by national overnight delivery service shall be deemed given on the first business day following deposit with such delivery service. For purposes of this Agreement, the term "business day" shall mean any day other than a Saturday, Sunday or day that is a legal holiday in Montgomery County, Maryland. The address of a party set forth below may be changed by that party by written notice to the other from time to time pursuant to this Article.

To: Michael T. Flynn

Fax No.

To: Eagle Bancorp, Inc. and EagleBank
c/o Ronald D. Paul
7815 Woodmont Ave.
Bethesda, MD 20814
Fax No.: 301.986-8529

cc: Fred Sommer, Esquire
Shulman, Rogers, Gandal, Pordy & Ecker, P.A.
11921 Rockville Pike, 3rd Floor
Rockville, Maryland 20852
Fax No.: 301-230-2891

After August 1, 2009 to:

Fred Sommer, Esquire
Shulman, Rogers, Gandal, Pordy & Ecker, P.A.
12505 Park Potomac Avenue, Sixth Floor
Potomac, MD 20854
Fax No.:

14. Entire Agreement. This Agreement contains all of the agreements and understandings between the parties hereto with respect to the employment of Flynn by Bancorp and the Bank, and supersedes all prior agreements, arrangements and understandings related to the subject matter hereof. No oral agreements or written correspondence shall be held to affect the provisions hereof. No representation, promise, inducement or statement of intention has been made by either party that is not set forth in this Agreement, and neither party shall be bound by or liable for any alleged representation, promise, inducement or statement of intention not so set forth. Not in limitation of the foregoing, this Agreement supersedes and replaces the Original Agreement, except that Flynn shall remain entitled to receive any compensation earned but not yet paid thereunder.

15. Headings. The Article and Section headings contained in this Agreement are for reference purposes only and shall not in any way affect the meaning or interpretation of this Agreement.

16. Severability. Should any part of this Agreement for any reason be declared or held illegal, invalid or unenforceable, such determination shall not affect the legality, validity or enforceability of any remaining portion or provision of this Agreement, which remaining portions and provisions shall remain in force and effect as if this Agreement has been executed with the illegal, invalid or unenforceable portion thereof eliminated.

17. Amendment; Waiver. Neither this Agreement nor any provision hereof may be amended, modified, changed, waived, discharged or terminated except by an instrument in writing signed by the party against which enforcement of the amendment, modification, change, waiver, discharge or termination is sought. The failure of either party at any time or times to require performance of any provision hereof shall not in any manner affect the right at a later time to enforce the same. No waiver by either party of the breach of any term, provision or covenant contained in this Agreement, whether by conduct or otherwise, in any one or more instances, shall be deemed to be, or construed as, a further or continuing waiver of any such breach, or a waiver of the breach of any other term, provision or covenant contained in this Agreement.

18. Gender and Number. As used in this Agreement, the masculine, feminine and neuter gender, and the singular or plural number, shall each be deemed to include the other or others whenever the context so indicates.

19. Binding Effect. This Agreement is and shall be binding upon, and inures to the benefit of, Bancorp, the Bank, their respective successors and assigns, and Flynn and his heirs, executors, administrators, and personal and legal representatives.

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

EAGLE BANCORP, INC.

By: _____
Name: Ronald D. Paul
Title: Chief Executive Officer

EAGLEBANK

By: _____
Name: Ronald D. Paul
Title: Chief Executive Officer

MICHAEL T. FLYNN

_____

Attachment A

Form of
General Release and Waiver of All Claims

Michael T. Flynn ("**you**") executes this General Release And Waiver of All Claims (the "**Release**") as a condition of receiving certain payments and other benefits in accordance with the terms of Section 7.7 of your Amended and Restated Employment Agreement dated , 2008. All capitalized terms used but not otherwise defined herein shall have the same meaning as in your Employment Agreement.

1. RELEASE.

You hereby release and forever discharge EagleBank and Eagle Bancorp, Inc. [*modify to specifically include any additional Affiliates*] and each and every one of their former or current subsidiaries, parents, affiliates, directors, officers, employees, agents, parents, affiliates, successors, predecessors, subsidiaries, assigns and attorneys (the "**Released Parties**") from any and all charges, claims, damages, injury and actions, in law or equity, which you or your heirs, successors, executors, or other representatives ever had, now have, or may in the future have by reason of any act, omission, matter, cause or thing through the date of your execution of this Release. You understand that this Release is a general release of all claims you may have against the Released Parties based on any act, omission, matter, case or thing through the date of your execution of this Release.

2. WAIVER.

You realize there are many laws and regulations governing the employment relationship. These include, but are not limited to, Title VII of the Civil Rights Acts of 1964 and 1991; the Age Discrimination in Employment Act of 1967; the Americans with Disabilities Act; the National Labor Relations Act; 42 U.S.C. § 1981; the Family and Medical Leave Act; the Employee Retirement Income Security Act of 1974 (other than any accrued benefit(s) to which you have a non-forfeitable right under any pension benefit plan); the Maryland Civil Rights Act, the Maryland Wage Payment and Collection Law, Maryland Occupational Safety and Health Act, the Maryland Collective Bargaining Law, and any other state, local and federal employment laws; and any amendments to any of the foregoing. You also understand there may be other statutes and laws of contract and tort that also relate to your employment. By signing this Release, you waive and release any rights you may have against the Released Parties under these and any other laws based on any act, omission, matter, cause or thing through the date of your execution of this Release. You also agree not to initiate, join, or voluntarily participate in any action or suit in any court or to accept any damages or other relief from any such proceeding brought by anyone else based on any act, omission, matter, cause or thing through the date of your execution of this Release.

3. NOTICE PERIOD.

This document is important. We advise you to review it carefully and consult an attorney before signing it, as well as any other professional whose advice you value, such as an accountant or financial advisor. If you agree to the terms of this Release, sign in the space indicated below for your signature. You will have twenty-one (21) calendar days from the date you receive this document to consider whether to sign this Release. If you choose to sign the Release before the end of that twenty-one day period, you certify that you did so voluntarily for your own benefit and not because of any coercion.

4. RETURN OF PROPERTY.

You certify that you have fully complied with Section 8.4 of your Employment Agreement.

5. REVOCATION.

You should also understand that even after you have signed this Release, you still have seven (7) days to revoke it. To revoke your acceptance of this Release, the Chairman of the Bank's Board of Directors must receive written notice before the end of the seven (7)-day period. In the event you revoke or do not accept this Release, you will not be entitled to any of the payments or benefits that you would have been entitled to under your Employment Agreement by virtue of executing this Release. If you do not revoke this Release within seven (7) days after you sign it, it will be final, binding, and irrevocable.

IN WITNESS WHEREOF, the Parties have knowingly and voluntarily executed this Release, as of the day and year first set forth below.

Michael T. Flynn	**Date**
Eagle Bancorp, Inc.	**Date**
EagleBank	**Date**

Exhibit 10.4

AMENDED AND RESTATED
EMPLOYMENT AGREEMENT

THIS AMENDED AND RESTATED EMPLOYMENT AGREEMENT ("Agreement") is made and entered into as of the 2nd day of December, 2008, by and between EagleBank, a Maryland chartered commercial bank (the "Bank"), and Martha Foulon-Tonat ("Foulon-Tonat").

RECITALS:

WHEREAS, the Bank and Foulon-Tonat are parties to an Employment Agreement dated January 1, 2007 (the "Original Agreement"), pursuant to which Foulon-Tonat serves as Executive Vice President and Chief Lender of the Bank; and

WHEREAS, the parties believe that amendment of the Original Agreement is appropriate in order to ensure that Section 409A(a)(1)(B) of the Internal Revenue Code does not impose additional tax and interest on payments to Foulon-Tonat; and

WHEREAS, the parties believe that amendment of the Original Agreement is appropriate in order to ensure that the provisions thereof do not impede the ability of the Bank and its affiliates to receive funds from the U.S. Department of Treasury pursuant to the Troubled Assets Relief Plan Capital Purchase Program; and

WHEREAS, to accomplish the foregoing, the parties desire to hereby enter into this Agreement to supersede and replace the Original Agreement.

NOW, THEREFORE, in consideration of the premises and the mutual covenants and agreements set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound hereby, the parties hereto agree as follows:

1. Employment. The Bank agrees to employ Foulon-Tonat, and Foulon-Tonat agrees to be employed as Executive Vice President and Chief Lender of the Bank, subject to the terms and provisions of this Agreement.

2. Certain Definitions. As used in this Agreement, the following terms have the meanings set forth below:

2.1 "Affiliate" means, with respect to any Person, (i) any Person directly or indirectly controlling, controlled by or under common control with such Person, (ii) any Person owning or controlling fifty percent (50%) or more of the outstanding voting interests of such Person, (iii) any officer, director, general partner, managing member, or trustee of, or Person serving in a similar capacity with respect to, such Person, or (iv) any Person who is an officer, director, general partner, member, trustee, or holder of fifty percent (50%) or more of the voting interests of any Person described in clauses (i), (ii), or (iii) of this sentence. For purposes of this definition, the terms "controlling," "controlled by," or "under common control with" shall mean the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities, by contract or otherwise.

2.2 "Bancorp" means Eagle Bancorp, Inc., a Maryland corporation.

2.3 "Bank" is defined in the Recitals. If the Bank is merged into any other Entity, or transfers substantially all of its business operations or assets to another Entity, the term "Bank" shall be deemed to include such successor Entity for purposes of applying Article 8 of this Agreement.

2.4 "Bank Entities" means and includes any of the Bank, Bancorp and their Affiliates.

2.5 "Bank Regulatory Agency" means any governmental authority, regulatory agency, ministry, department, statutory corporation, central bank or other body of the United States or of any other country or of any state or other political subdivision of any of them having jurisdiction over the Bank or any transaction contemplated, undertaken or proposed to be undertaken by the Bank, including, but not necessarily be limited to:

(a) the Federal Deposit Insurance Corporation or any other federal or state depository insurance organization or fund;

(b) the Federal Reserve System, the Maryland Division of Financial Institutions, or any other federal or state bank regulatory or commissioner's office;

(c) any Person established, organized, owned (in whole or in part) or controlled by any of the foregoing; and

(d) any predecessor, successor or assignee of any of the foregoing.

2.6 "Board" means the Board of Directors of the Bank.

2.7 "Code" means the Internal Revenue Code of 1986, as amended.

2.8 "Competitive Business" means the banking and financial services business, which includes, without limitation, consumer savings, commercial banking, the insurance and trust business, the savings and loan business and mortgage lending, or any other business in which any of the Bank Entities is engaged or has invested significant resources within the prior six (6) month period in preparation for becoming actively engaged.

2.9 "Competitive Products or Services" means, as of any time, those products or services of the type that any of the Bank Entities is providing, or is actively preparing to provide, to its customers.

2.10 "Disability" means a mental or physical condition which, in the good faith opinion of the Board, renders Foulon-Tonat, with reasonable accommodation, unable or incompetent to carry out the material job responsibilities which Foulon-Tonat held or the material duties to which Foulon-Tonat was assigned at the time the disability was incurred, which has existed for at least three (3) months and which in the opinion of a physician mutually agreed upon by the Bank and Foulon-Tonat (*provided* that neither party shall unreasonably withhold such agreement) is expected to be permanent or to last for an indefinite duration or a duration in excess of nine (9) months.

2.11 "Expiration Date" means August 31, 2011.

2.12 "Person" means any individual or Entity.

2.13 "Section 409A" means Section 409A of the Code and the regulations and administrative guidance promulgated thereunder.

2.14 "Termination Date" means the Expiration Date or such earlier date on which the Term expires pursuant to Section 3.1 or is terminated pursuant to Section 7.2, 7.3, 7.4, or 7.5, as applicable.

Other terms are defined throughout this Agreement and have the meanings so given them.

3. Term; Position.

3.1 Term. Foulon-Tonat's employment hereunder shall continue until the Expiration Date, unless extended in writing by both the Bank and Foulon-Tonat or sooner terminated in accordance with the provisions of this Agreement (the "Term").

3.2 Position. The Bank shall employ Foulon-Tonat to serve as Executive Vice President and Chief Lender of the Bank.

3.3 No Restrictions. Foulon-Tonat represents and warrants to the Bank that Foulon-Tonat is not subject to any legal obligations or restrictions that would prevent or limit her entering into this Agreement and performing her responsibilities hereunder.

4. Duties of Foulon-Tonat.

4.1 Nature and Substance. Foulon-Tonat shall report directly to and shall be under the direction of *the Chief Executive Officer*. The specific powers and duties of Foulon-Tonat shall be established, determined and modified by and within the discretion of the Board.

4.2 Performance of Services. Foulon-Tonat agrees to devote her full business time and attention to the performance of her duties and responsibilities under this Agreement, and shall use her best efforts and discharge her duties to the best of her ability for and on behalf of the Bank and toward its successful operation. Foulon-Tonat agrees that, without the prior written consent of the Board, she will not during the Term, directly or indirectly, perform services for or obtain a financial or ownership interest in any other Entity (an "Outside Arrangement") if such Outside Arrangement would interfere with the satisfactory performance of her duties to the Bank, present a conflict of interest with the Bank and/or Bancorp, breach her duty of loyalty or fiduciary duties to the Bank and/or Bancorp, or otherwise conflict with the provisions of this Agreement. Foulon-Tonat shall promptly notify the Board of any Outside Arrangement, provide the Bank with any written agreement in connection therewith and respond fully and promptly to any questions that the Board may ask with respect to any Outside Arrangement. If the Board determines that Foulon-Tonat's participation in an Outside Arrangement would interfere with her satisfactory performance of her duties to the Bank, present a conflict of interest with the Bank and/or Bancorp, breach her duty of loyalty or fiduciary duties to the Bank and/or Bancorp, or otherwise conflict with the provisions of this Agreement, Foulon-Tonat shall not undertake, or shall cease, such Outside Arrangement as soon as feasible after the Board notifies her of such determination. Notwithstanding any provision hereof to the contrary, this Section 4.2 does not restrict Foulon-Tonat's right to own securities of any Entity that files periodic reports with the Securities and Exchange Commission under Section 13 or 15(d) of the Securities Exchange Act of 1934, as amended; provided that her total ownership constitutes less than two percent (2%) of the outstanding securities of such company.

4.3 Compliance with Law. Foulon-Tonat shall comply with all laws, statutes, ordinances, rules and regulations relating to her employment and duties.

5. Compensation; Benefits. As full compensation for all services rendered pursuant to this Agreement and the covenants contained herein, the Bank shall pay to Foulon-Tonat the following:

5.1 Salary. Through the end of the Term, Foulon-Tonat shall be paid a salary ("Salary") of Two Hundred Forty-three Thousand One Hundred One Dollars ($243,101) on an annualized basis. The Bank shall pay Foulon-Tonat's Salary in equal installments in accordance with the Bank's regular payroll periods as may be set by the Bank from time to time. Foulon-Tonat's Salary may be further increased from time to time, at the discretion of the Board. Foulon-Tonat may also be entitled to certain incentive bonus payments as determined by Board approved incentive plans.

5.2 Withholding. Payments of Salary shall be subject to the customary withholding of income and other employment taxes as is required with respect to compensation paid by an employer to an employee.

5.3 Vacation and Leave. Foulon-Tonat shall be entitled to such vacation and leave as may be provided for under the current and future leave and vacation policies of the Bank for executive officers.

5.4 Office Space. The Bank will provide customary office space and office support to Foulon-Tonat.

5.5 Parking. Paid parking at Foulon-Tonat's regular worksite will be provided by the Bank at its expense.

5.6 Car Allowance. The Bank will pay Foulon-Tonat a monthly car allowance of Seven Hundred Fifty Dollars ($750.00).

5.7 Non-Life Insurance. The Bank will provide Foulon-Tonat with group health, disability and other insurance as the Bank may determine appropriate for all employees of the Bank.

5.8 Life Insurance.

5.8.1 Foulon-Tonat may obtain a term life insurance policy (the "Policy") on Foulon-Tonat in the amount of Seven Hundred Fifty Thousand Dollars ($750,000.00), the particular product and carrier to be chosen by Foulon-Tonat in her discretion. Foulon-Tonat shall have the right to designate the beneficiary of the Policy. If the Policy is obtained, Foulon-Tonat shall provide the Bank with a copy of the Policy, and the Bank will pay, during the Term of this Agreement, the premiums for the Policy upon submission by Foulon-Tonat to the Bank of the invoices therefor. In the event Foulon-Tonat is rated and the premium exceeds the standard rate for a Seven Hundred Fifty Thousand Dollar ($750,000.00) policy, the Policy amount shall be lowered to the maximum amount that can be purchased at the standard rate for a Seven Hundred Fifty Thousand Dollar ($750,000.00) policy. For example, if Foulon-Tonat is rated and the standard rate for a Seven Hundred Fifty Thousand Dollar ($750,000.00) policy would acquire a Five Hundred Thousand Dollar ($500,000.00) policy, the Bank would only be required to pay the premium for a Five Hundred Thousand Dollar ($500,000.00) policy. If a Policy is obtained and it is cancelled or terminated, Foulon-Tonat shall immediately notify the Bank of such cancellation or termination.

5.8.2 The Bank may, at its cost, obtain and maintain "key-man" life insurance and/or Bank-owned life insurance on Foulon-Tonat in such amount as determined by the Board from time to time. Foulon-Tonat agrees to cooperate fully and to take all actions reasonably required by the Bank in connection with such insurance.

5.9 Expenses. The Bank shall, promptly upon presentation of proper expense reports therefor, pay or reimburse Foulon-Tonat, in accordance with the policies and procedures established from time to time by the Bank for its officers, for all reasonable and customary travel (other than local use of an automobile for which Foulon-Tonat is being provided the car allowance) and other out-of-pocket expenses incurred by Foulon-Tonat in the performance of her duties and responsibilities under this Agreement and promoting the business of the Bank, including approved membership fees, dues and the cost of attending business related seminars, meetings and conventions.

5.10 Retirement Plans. Foulon-Tonat shall be entitled to participate in any and all qualified pension or other retirement plans of the Bank which may be applicable to personnel of the Bank.

5.11 Other Benefits. While this Agreement is in effect, Foulon-Tonat shall be entitled to all other benefits that the Bank provides from time to time to its officers.

5.12 Eligibility. Participation in any health, life, accident, disability, medical expense or similar insurance plan or any qualified pension or other retirement plan shall be subject to the terms and conditions contained in such plan. All matters of eligibility for benefits under any insurance plans shall be determined in accordance with the provisions of the applicable insurance policy issued by the applicable insurance company.

5.13 Equity Compensation. Foulon-Tonat shall be eligible to receive awards of options, SARs and /or Restricted Stock under the 2006 Stock Plan of Bancorp, from time to time, at the discretion of the 2006 Plan Committee or Compensation Committee of the Board of Directors of Bancorp.

6. Conditions Subsequent to Continued Operation and Effect of Agreement.

6.1 Continued Approval by Bank Regulatory Agencies. This Agreement and all of its terms and conditions, and the continued operation and effect of this Agreement and the Bank's continuing obligations hereunder, shall at all times be subject to the continuing approval of any and all Bank Regulatory Agencies whose approval is a necessary prerequisite to the continued operation of the Bank. Should any term or condition of this Agreement, upon review by any Bank Regulatory Agency, be found to violate or not be in compliance with any then-applicable statute or any rule, regulation, order or understanding promulgated by any Bank Regulatory Agency, or should any term or condition required to be included herein by any such Bank Regulatory Agency be absent, this Agreement may be rescinded and terminated by the Bank if the parties hereto cannot in good faith agree upon such

additions, deletions or modifications as may be deemed necessary or appropriate to bring this Agreement into compliance.

7. Termination of Agreement. Prior to the Expiration Date, the Term of this Agreement may be terminated as provided below in this Article 7.

7.1 Definition of Cause. For purposes of this Agreement, "Cause" means:

(a) any act of theft, fraud, intentional misrepresentation, personal dishonesty or breach of fiduciary duty involving personal gain or similar conduct by Foulon-Tonat with respect to the Bank Entities or the services to be rendered by her under this Agreement;

(b) any failure of this Agreement to comply with any Bank Regulatory Agency requirement which is not cured in accordance with Section 6.1 within a reasonable period of time after written notice thereof;

(c) any Bank Regulatory Agency action or proceeding against Foulon-Tonat as a result of her negligence, fraud, malfeasance or misconduct;

(d) indictment of Foulon-Tonat, or Foulon-Tonat's conviction or plea of *nolo contendere* at the trial court level, of a felony, or any crime of moral turpitude, or involving dishonesty, deception or breach of trust;

(e) any of the following conduct on the part of Foulon-Tonat that Foulon-Tonat has not corrected or cured within thirty (30) days after having received written notice from the Bank detailing and describing such conduct (provided, however, that the Bank shall not be required to provide Foulon-Tonat with notice and opportunity to cure more than two (2) times in any twelve (12) month period):

(i) habitual absenteeism, or the failure by or the inability of Foulon-Tonat to devote full time attention and energy to the performance of Foulon-Tonat's duties pursuant to this Agreement (other than by reason of her death or Disability);

(ii) intentional material failure by Foulon-Tonat to carry out the explicit lawful and reasonable directions, instructions, policies, rules, regulations or decisions of the Board which are consistent with her position;

(iii) willful or intentional misconduct on the part of Foulon-Tonat that results, or that the Board in good faith determines may result, in substantial injury to the Bank or any of its Affiliates; or

(iv) any action (including any failure to act) or conduct by Foulon-Tonat in violation of a material provision of this Agreement (including but not limited to the provisions of Article 8 hereof, which shall be deemed to be material); or

(f) the use of drugs, alcohol or other substances by Foulon-Tonat to an extent which materially interferes with or prevents Foulon-Tonat from performing her duties under this Agreement;

(g) the determination by the Board, in the exercise of its reasonable judgment and in good faith, that Foulon-Tonat's job performance is substantially unsatisfactory and that she has failed to cure such performance within a reasonable period (but in no event more than thirty (30) days) after written notice specifying in reasonable detail the nature of the unsatisfactory performance; or

(h) Foulon-Tonat's commission of unethical business practices, acts of moral turpitude, financial impropriety, fraud or dishonesty in any material matter which the Board in good faith determines could adversely affect the reputation, standing or financial prospects of the Bank or its Affiliates.

7.2 Termination by the Bank for Cause. After the occurrence of any of the conditions specified in Section 7.1, the Bank shall have the right to terminate the Term for Cause immediately on written notice to Foulon-Tonat.

7.3 Termination by the Bank without Cause. The Bank shall have the right to terminate the Term at any time on written notice without Cause, for any or no reason, such termination to be effective on the date on which the Bank gives such notice to Foulon-Tonat or such later date as may be specified in such notice.

7.4 Termination for Death or Disability. The Term shall automatically terminate upon the death of Foulon-Tonat or upon the Board's determination that Foulon-Tonat is suffering from a Disability.

7.5 Termination by Foulon-Tonat. Foulon-Tonat shall have the right to terminate the Term at any time, such termination to be effective on the date ninety (90) days after the date on which Foulon-Tonat gives such notice to the Bank unless Foulon-Tonat and the Bank agree in writing to a later date on which such termination is to be effective. After receiving notice of termination, the Bank may require Foulon-Tonat to devote her good faith energies to transitioning her duties to her successor and to otherwise helping to minimize the adverse impact of her resignation upon the operations of the Bank. If Foulon-Tonat fails or refuses to fully cooperate with such transition, the Bank may immediately terminate Foulon-Tonat, in which case it shall no longer have any obligation to pay any Salary or provide any benefits to her, but solely for purposes of Sections 8.5 and 8.6 below, the Termination Date shall be the date ninety (90) days after the date on which Foulon-Tonat gives notice of termination to the Bank pursuant to the first sentence of this Section 7.5, or the later date referred to therein, whichever is later.

7.6 Pre-Termination Salary and Expenses. Without regard to the reason for, or the timing of, the termination or expiration of the Term: (a) the Bank shall pay Foulon-Tonat any unpaid Salary due for the period prior to the Termination Date; and (b) following submission of proper expense reports by Foulon-Tonat, the Bank shall reimburse Foulon-Tonat for all expenses incurred prior to the Termination Date and subject to reimbursement pursuant to Section 5.9 hereof. These payments shall be made promptly upon termination and within the period of time mandated by law.

7.7 Severance if Termination by the Bank without Cause. Provided that Foulon-Tonat signs and delivers to the Bank no later than twenty-one (21) days after the Termination Date a General Release and Waiver in the form attached to this Agreement as Exhibit A, and except as set forth below, if the Term is terminated by the Bank during the Term without Cause, the Bank shall, for a period of one (1) year following the Termination Date, (i) continue to pay Foulon-Tonat, in the manner set forth below, Foulon-Tonat's Salary at the rate being paid as of the Termination Date, and (ii) if Foulon-Tonat timely elects to continue her health insurance benefits under COBRA, pay to the insurer Foulon-Tonat's premiums for health insurance benefits continuation (for so long as Foulon-Tonat remains qualified for such continuation under COBRA); provided, however, that Foulon-Tonat shall not be entitled to any such payments if she is otherwise entitled to payments pursuant to Section 9.4 in relation to a Change in Control. Any payments due Foulon-Tonat pursuant to this Section 7.7 shall be paid to Foulon-Tonat in installments on the same schedule as Foulon-Tonat was paid immediately prior to the Termination Date, each installment to be the same amount Foulon-Tonat would have been paid under this Agreement if she had not been terminated. In the event Foulon-Tonat breaches any provision of Article 8 of this Agreement, Foulon-Tonat's entitlement to any payments payable pursuant to this Section 7.7, if and to the extent not yet paid, shall thereupon immediately cease and terminate as of the date of such breach, with Foulon-Tonat having the obligation to repay to the Bank any payments that were paid to her and any payments for health insurance benefits continuation pursuant to this Section 7.7 with respect to the period after such breach occurred and before such breach became known to the Bank. Furthermore, if termination was initially not for Cause but the Bank thereafter determines in good faith that, during the Term, Foulon-Tonat had engaged in conduct that would have constituted Cause, Foulon-Tonat's entitlement to any payments pursuant to this Section 7.7 shall terminate retroactively to the Termination Date, with Foulon-Tonat having the obligation to repay to the Bank all payments that were paid to her and any payments for health insurance benefits continuation pursuant to this Section 7.7, and, upon the return of all such payments, said General Release and Waiver shall be deemed rescinded and of no force or effect. Notwithstanding anything to the contrary in this Section 7.7, any payment pursuant to this Section shall be subject to (i) any delay in payment required by Section 10.3 hereof and (ii) any reduction required pursuant to Section 10.2 hereof.

7.8 Termination After Change in Control. Sections 9.2 and 9.3 set out provisions applicable to certain circumstances in which the Term may be terminated after Change in Control.

8. Confidentiality; Non-Competition; Non-Interference.

8.1 Confidential Information. Foulon-Tonat, during employment, will have, and has had, access to and become familiar with various confidential and proprietary information of the Bank Entities and/or relating to the business of the Bank Entities ("Confidential Information"), including, but not limited to: business plans; operating results; financial statements and financial information; contracts; mailing lists; purchasing information; customer data (including lists, names and requirements); feasibility studies; personnel related information (including compensation, compensation plans, and staffing plans); internal working documents and communications; and other materials related to the businesses or activities of the Bank Entities which is made available only to employees with a need to know or which is not generally made available to the public. Failure to mark any Confidential Information as confidential, proprietary or protected information shall not affect its status as part of the Confidential Information subject to the terms of this Agreement.

8.2 Nondisclosure. Foulon-Tonat hereby covenants and agrees that she shall not, directly or indirectly, disclose or use, or authorize any Person to disclose or use, any Confidential Information (whether or not any of the Confidential Information is novel or known by any other Person); provided however, that this restriction shall not apply to the use or disclosure of Confidential Information (i) to any governmental entity to the extent required by law, (ii) which is or becomes publicly known and available through no wrongful act of Foulon-Tonat or any Affiliate of Foulon-Tonat or (iii) in connection with the performance of Foulon-Tonat's duties under this Agreement.

8.3 Nondisclosure of this Agreement. The terms, conditions and fact of this Agreement are strictly confidential. From and after the date of execution of this Agreement, Foulon-Tonat agrees not to disclose, directly or indirectly, the existence of this Agreement or any of the terms and conditions herein to any Person except that Foulon-Tonat may disclose the existence of this Agreement or the terms and conditions herein to Foulon-Tonat's immediate family, tax, financial or legal advisers, prospective employers (with whom Foulon-Tonat's employment is not prohibited by Section 8.5), any taxing authority, or as required by law. If Foulon-Tonat is asked about the existence and/or terms and conditions of this Agreement, Foulon-Tonat is permitted to state only that "the terms of my employment are a confidential matter that I am not able to disclose." Foulon-Tonat acknowledges that the terms of this Section 8.3 are a material inducement for the Bank to enter into this Agreement. Notwithstanding the foregoing, Foulon-Tonat may disclose such information regarding this Agreement as may be disclosed by the Bank Entities in any document filed with the Securities and Exchange Commission.

8.4 Documents. All files, papers, records, documents, compilations, summaries, lists, reports, notes, databases, tapes, sketches, drawings, memoranda, and similar items (collectively, "Documents"), whether prepared by Foulon-Tonat, or otherwise provided to or coming into the possession of Foulon-Tonat, that contain any proprietary information about or pertaining or relating to the Bank Entities (the "Bank Information") shall at all times remain the exclusive property of the Bank Entities. Promptly after a request by the Bank or the Termination Date, Foulon-Tonat shall take reasonable efforts to (i) return to the Bank all Documents in any tangible form (whether originals, copies or reproductions) and all computer disks or other media containing or embodying any Document or Bank Information and (ii) purge and destroy all Documents and Bank Information in any intangible form (including computerized, digital or other electronic format) as may be requested in writing by the Chief Executive Officer of the Bank or Chairman of the Board of the Bank, and Foulon-Tonat shall not retain in any form any such Document or any summary, compilation, synopsis or abstract of any Document or Bank Information.

8.5 Non-Competition. Foulon-Tonat hereby acknowledges and agrees that, during the course of employment, Foulon-Tonat has become, and will become, familiar with and involved in all aspects of the business and operations of the Bank Entities. Foulon-Tonat hereby covenants and agrees that from the Commencement Date until the later to occur of (a) the date one (1) year after the Termination Date, or (b) the Expiration Date (the "Restricted Period"), Foulon-Tonat will not at any time (except for the Bank Entities), directly or indirectly, in any capacity (whether as a proprietor, owner, agent, officer, director, shareholder, organizer, partner, principal, manager, member, employee, contractor, consultant or otherwise) provide any advice, assistance or services to any Competitive Business or to any Person that is attempting to form or acquire a Competitive Business if such Competitive Business operates, or is planning to operate, any office, branch or other facility (in any case, a

"Branch") that is (or is proposed to be) located within a thirty-five (35) mile radius of the Bank's headquarters or any Branch of the Bank Entities. Notwithstanding any provision hereof to the contrary, this Section 8.5 does not restrict Foulon-Tonat's right to (i) own securities of any Entity that files periodic reports with the Securities and Exchange Commission under Section 13 or 15(d) of the Securities Exchange Act of 1934, as amended; provided that her total ownership constitutes less than two percent (2%) of the outstanding securities of such company.

8.6 Non-Interference. Foulon-Tonat hereby covenants and agrees that during the Restricted Period, she will not, directly or indirectly, for himself or any other Person (whether as a proprietor, owner, agent, officer, director, shareholder, organizer, partner, principal, member, manager, employee, contractor, consultant or any other capacity):

(a) induce or attempt to induce any customer, supplier, officer, director, employee, contractor, consultant, agent or representative of, or any other Person that has a business relationship with any Bank Entity, to discontinue, terminate or reduce the extent of its, her or her relationship with any Bank Entity or to take any action that would disrupt or otherwise be disadvantageous to any such relationship;

(b) solicit any customer of any of the Bank Entities for the purpose of providing any Competitive Products or Services to such customer (other than any solicitation to the general public that is not disproportionately directed at customers of any Bank Entity); or

(c) solicit any employee of any of the Bank Entities to commence employment with, become a consultant or independent contractor to or otherwise provide services for the benefit of any other Competitive Business

In applying this Section 8.6:

(i) the term "customer" shall be deemed to include, at any time, any Person to which any of the Bank Entities had, during the six (6) month period immediately prior to such time, (A) sold any products or provided any services or (B) submitted, or been in the process of submitting or negotiating, a proposal for the sale of any product or the provision of any services;

(ii) the term "supplier" shall be deemed to include, at any time, any Person which, during the six (6) month period immediately prior to such time, (A) had sold any products or services to any of the Bank Entities or (B) had submitted to any of the Bank Entities a proposal for the sale of any products or services;

(iii) for purposes of clause (c), the term "employee" shall be deemed to include, at any time, any Person who was employed by any of the Bank Entities within the prior six (6) month period (thereby prohibiting Foulon-Tonat from soliciting any Person who had been employed by any of the Bank Entities until six (6) months after the date on which such Person ceased to be so employed); and

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(iv) If during the Restricted Period any employee of any of the Bank Entities accepts employment with or is otherwise retained by any Competitive Business of which Foulon-Tonat is an owner, director, officer, manager, member, employee, partner or employee, or to which Foulon-Tonat provides material services, it shall be presumed that such employee was hired in violation of the restriction set forth in clause (c) of this Section 8.6, with such presumption to be overcome only upon Foulon-Tonat's showing by a preponderance of the evidence that she was not directly or indirectly involved in the hiring, soliciting or encouraging such employee to leave employment with the Bank Entities.

8.7 Injunction. In the event of any breach or threatened or attempted breach of any provision of this Article 8 by Foulon-Tonat, the Bank shall, in addition to and not to the exclusion of any other rights and remedies at law or in equity, be entitled to seek and receive from any court of competent jurisdiction (i) full temporary and permanent injunctive relief enjoining and restraining Foulon-Tonat and each and every other Person concerned therein from the continuation of such violative acts and (ii) a decree for specific performance of the applicable provisions of this Agreement, without being required to furnish any bond or other security.

8.8 Reasonableness.

8.8.1 Foulon-Tonat has carefully read and considered the provisions of this Article 8 and, having done so, agrees that the restrictions and agreements set forth in this Article 8 are fair and reasonable and are reasonably required for the protection of the interests of the Bank Entities and their respective businesses, shareholders, directors, officers and employees. Foulon-Tonat further agrees that the restrictions set forth in this Agreement will not impair or unreasonably restrain her ability to earn a livelihood.

8.8.2 If any court of competent jurisdiction should determine that the duration, geographical area or scope of any provision or restriction set forth in this Article 8 exceeds the maximum duration, geographic area or scope that is reasonable and enforceable under applicable law, the parties agree that said provision shall automatically be modified and shall be deemed to extend only over the maximum duration, geographical area and/or scope as to which such provision or restriction said court determines to be valid and enforceable under applicable law, which determination the parties direct the court to make, and the parties agree to be bound by such modified provision or restriction.

9. Change in Control.

9.1 Definition. "Change in Control" means and shall be deemed to have occurred if:

(a) there shall be consummated (i) any consolidation, merger, share exchange, or similar transaction relating to Bancorp, or pursuant to which shares of Bancorp's capital stock are converted into cash, securities of another Entity and/or other property, other than a transaction in which the holders of Bancorp'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, or (ii) any sale of all or substantially all of the assets of Bancorp, 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 U.S. Treasury Regulations;

(b) any person, entity or group (each within the meaning of Sections 13(d) and 14(d)(2) of the Securities Exchange Act of 1934, as amended (the "Exchange Act")) shall become the beneficial owner (within the meaning of Rules 13d-3 and 13d-5 under the Exchange Act), directly or indirectly, of securities of Bancorp representing more than fifty percent (50%) of the voting power of all outstanding securities of Bancorp entitled to vote generally in the election of directors of Bancorp (including, without limitation, any securities of Bancorp that any such Person has the right to acquire pursuant to any agreement, or upon exercise of conversion rights, warrants or options, or otherwise, which shall be deemed beneficially owned by such Person); or

(c) over a twelve (12) month period, a majority of the members of the Board of Directors of Bancorp are replaced by directors whose appointment or election was not endorsed by a majority of the members of the Board of Directors of Bancorp in office prior to such appointment or election.

Notwithstanding the foregoing, if the event purportedly constituting a Change in Control under Section 9.1(a), Section 9.1(b), or Section 9.1(c) does not also constitute a "change in ownership" of Bancorp, a "change in effective control" of Bancorp, or a "change in the ownership of a substantial portion of the assets" of Bancorp within the meaning of Section 409A, then such event shall not constitute a "Change in Control" hereunder.

9.2 Change in Control Termination. For purposes of this Agreement, a "Change in Control Termination" means that while this Agreement is in effect:

(a) Foulon-Tonat's employment with the Bank is terminated without Cause (i) within one hundred twenty (120) days immediately prior to and in conjunction with a Change in Control or (ii) within twelve (12) months following consummation of a Change in Control; or

(b) Within twelve (12) months following consummation of a Change in Control, Foulon-Tonat's title, duties and or position have been materially reduced such that Foulon-Tonat is not in a comparable position (with materially comparable compensation, benefits and responsibilities and is located within twenty-five (25) miles of Foulon-Tonat's primary worksite) to the position she held immediately prior to the Change in Control, and within

thirty (30) days after notification of such reduction she notifies the Bank that she is terminating her employment due to such change in her employment unless such change is cured within thirty (30) days of such notice by providing her with a comparable position (including materially comparable compensation and benefits and is located within twenty-five (25) miles of Foulon-Tonat's primary worksite). If Foulon-Tonat's employment is terminated under this Section, her last day of employment shall be mutually agreed to by Foulon-Tonat and the Bank, but shall be not more than sixty (60) days after such notice is given by Foulon-Tonat.

9.3 Window Period Resignation After Change in Control. If at the expiration of the twelve (12) month period following consummation of a Change in Control (the "Action Period"), Foulon-Tonat's employment by the Bank has not been terminated, Foulon-Tonat may, by giving written notice to the Bank within the thirty (30) day period immediately following the last day of the Action Period, elect to terminate the Term, in which event her last day of employment will be as mutually agreed to by the Bank and Foulon-Tonat but which shall be not more than sixty (60) days after such notice is given by Foulon-Tonat.

9.4 Change in Control Payment. If there is a Change in Control Termination pursuant to Section 9.2 or Foulon-Tonat resigns after the Action Period pursuant to Section 9.3, Foulon-Tonat shall be paid a lump-sum cash payment (the "Change Payment") equal to 2.99 times Foulon-Tonat's Salary at the highest rate in effect during the twelve (12) month period immediately preceding her Termination Date, such Change Payment to be made to Foulon-Tonat within forty-five (45) days after the later of (i) her Termination Date or (ii) the date of the Change in Control, the exact date of payment to be determined in the sole discretion of the Bank; provided, however, that the Bank shall be relieved of its obligation to pay the Change Payment if Foulon-Tonat fails to sign and deliver to the Bank no later than twenty-one (21) days after the Termination Date a General Release and Waiver in the form attached to this Agreement as Exhibit A. Notwithstanding anything to the contrary in this Section 9.4, any payment pursuant to this Section shall be subject to (i) any delay in payment required by Section 10.3 hereof and (ii) any reduction required pursuant to Section 10.2 hereof, as applicable.

10. Compliance with Certain Restrictions.

10.1 Certain Defined Terms. For purposes of this Agreement, the following terms are defined as follows:

(a) "Additional 280G Payments" means any distributions in the nature of compensation by any Bank Entity to or for the benefit of Foulon-Tonat (including, but not limited to, the value of acceleration in vesting in restricted stock, options or any other stock-based compensation), whether or not paid or payable or distributed or distributable pursuant to this Agreement, which is required to be taken into consideration in applying Section 280G(b)(2)(A) of the Code;

(b) "Applicable Severance" means Foulon-Tonat's severance from employment by reason of involuntary termination by the Bank or in connection with any bankruptcy, liquidation or receivership of the Bank or any other entity that is treated as the same employer under EESA, in each case as determined under the regulations implementing Section 111(b) of EESA;

(c) Authorities Period" means the period under which the authorities of Section 101 of EESA are in effect, as determined pursuant to Section 120 thereof;

(d) "Determining Firm" means a reputable law or accounting firm selected by the Bank to make a determination pursuant to this Article 10;

(e) "EESA" means the Emergency Economic Stabilization Act of 2008, Public Law 110-343, as implemented by any guidance or regulations thereunder;

(f) "Incentive Compensation" means all bonus and other incentive-based compensation, as those terms are applied under EESA;

(g) "Parachute Payment" is defined as set forth in Section 280G(b)(2) of the Code, with amounts payable during the Authorities Period upon Applicable Severance being specifically included in applying such provision;

(h) "Total Change in Control Payments" means the total amount of the Change Payment together with all Additional 280G Payments that are required to be paid because of a Change in Control; and

(i) "Total Severance Payments" means the total amount of payments, including Additional 280G Payments, that are required to be paid to Foulon-Tonat but that would not have been payable to her if no Applicable Severance had occurred.

10.2 Compliance with Section 280G.

(a) Notwithstanding anything in this Agreement to the contrary, if any amount becomes payable to Foulon-Tonat because of an Applicable Severance and (ii) the Determining Firm determines that any portion of the Total Severance Payments would otherwise constitute a Parachute Payment, the amount payable to Foulon-Tonat shall automatically be reduced by the smallest amount necessary so that no portion of the Total Severance Payments will be a Parachute Payment. If Total Severance Payments are to be paid in other than a lump sum, such reduction shall be applied in inverse order to the time at which the payments are scheduled to be made (e.g., the last scheduled payment will be the first such payment to be reduced). If, despite the foregoing sentence, a payment shall be made to Foulon-Tonat that would constitute a Parachute Payment, Foulon-Tonat shall have no right to retain such payment, and, immediately upon being informed of the impropriety of such payment, Foulon-Tonat shall return such payment to the Bank or other Bank Entity that was the payer thereof, together with interest at the applicable federal rate determined pursuant to Section 1274(d) of the Code.

(b) Notwithstanding anything in this Agreement to the contrary, other than Section 10.2(a) above, if the Determining Firm determines that any portion of the Total Change in Control Payments would otherwise constitute a Parachute Payment, the amount payable to Foulon-Tonat shall automatically be reduced by the smallest amount necessary so that no portion of the Total Change in Control Payments will be a Parachute Payment. If Total Change in Control Payments are to be paid in other than a lump sum, such reduction shall be applied in inverse order to the time at which the payments are scheduled to be made (e.g., the last scheduled payment will be the first such payment to be reduced). If, despite the foregoing sentence, a payment shall be made to Foulon-Tonat that would constitute a Parachute Payment, Foulon-Tonat shall have no right to retain such payment and, immediately upon being informed of the impropriety of such payment, Foulon-Tonat shall return such payment to the Bank or other Bank Entity that was the payer thereof, together with interest at the applicable federal rate determined pursuant to Section 1274(d) of the Code.

10.3 Compliance with Section 409A.

(a) It is the intention of the parties hereto that this Agreement and the payments provided for hereunder shall not be subject to, or shall be in accordance with, Section 409A, and thus avoid the imposition of any tax and interest on Foulon-Tonat pursuant to Section 409A(a)(1)(B) of the Code, and this Agreement shall be interpreted and construed consistent with this intent. Foulon-Tonat acknowledges and agrees that she shall be solely responsible for the payment of any tax or penalty which may be imposed or to which she may become subject as a result of the payment of any amounts under this Agreement.

(b) Notwithstanding any provision of this Agreement to the contrary, if Foulon-Tonat is a "specified employee" at the time of her "separation from service", any payment of "nonqualified deferred compensation" (in each case as determined pursuant to Section 409A) that is otherwise to be paid to Foulon-Tonat within six (6) months following her separation from service, then to the extent that such payment would otherwise be subject to interest and additional tax under Section 409A(a)(1)(B) of the Code, such payment shall be delayed and shall be paid on the first business day of the seventh calendar month following Foulon-Tonat's separation from service, or, if earlier, upon Foulon-Tonat's death. Any deferral of payments pursuant to the foregoing sentence shall have no effect on any payments that are scheduled to be paid more than six (6) months after the date of separation from service.

(c) The parties hereto agree that they shall take such actions as may be necessary and permissible under applicable law, regulation and guidance to amend or revise this Agreement in order to ensure that Section 409A(a)(1)(B) does not impose additional tax and interest on payments made pursuant to this Agreement.

10.4 Clawback if Material Inaccuracy. If any Incentive Compensation that is paid to Foulon-Tonat by the Bank or any other Bank Entity while the U.S. Treasury holds any equity securities in Bancorp is based on any materially inaccurate financial statement or other materially inaccurate performance metric criteria, as those terms are applied under EESA, Foulon-Tonat shall be required to disgorge and pay over to the Bank or such other Bank Entity all such Incentive Compensation, together with interest at the applicable federal rate determined pursuant to Section 1274(d) of the Code.

11. Assignability. Foulon-Tonat shall have no right to assign this Agreement or any of her rights or obligations hereunder to another party or parties. The Bank may assign this Agreement to any of its Affiliates or to any Person that acquires a substantial portion of the operating assets of the Bank. Upon any such assignment by the Bank, references in this Agreement to the Bank shall automatically be deemed to refer to such assignee instead of, or in addition to, the Bank, as appropriate in the context.

12. Governing Law; Venue. This Agreement shall be governed by and construed in accordance with the laws of the State of Maryland applicable to contracts executed and to be performed therein, without giving effect to the choice of law rules thereof. Any action to enforce any provision of this Agreement may be brought only in a court of the State of Maryland or in the United States District Court for the District of Maryland. Accordingly, each party (a) agrees to submit to the jurisdiction of such courts and to accept service of process at its address for notices and in the manner provided in Section 13 for the giving of notices in any such action or proceeding brought in any such court and (b) irrevocably waives any objection to the laying of venue of any such proceeding brought in such a court and any claim that any such proceeding brought in such a court has been brought in an inconvenient or inappropriate forum.

13. Notices. All notices, requests, demands and other communications required to be given or permitted to be given under this Agreement shall be in writing and shall be conclusively deemed to have been given as follows: (a) when hand delivered to the other party; (b) when received by facsimile at the facsimile number set forth below, provided, however, that any notice given by facsimile shall not be effective unless either (i) a duplicate copy of such facsimile notice is promptly given by depositing the same in a United States post office first-class postage prepaid and addressed to the applicable party as set forth below or (ii) the receiving party delivers a written confirmation of receipt for such notice either by facsimile or by any other method permitted under this Section; or (c) when deposited in a United States post office with first-class certified mail, return receipt requested, postage prepaid and addressed to the applicable party as set forth below; or (d) when deposited with a national overnight delivery service reasonably approved by the parties (Federal Express and DHL WorldWide Express being deemed approved by the parties), postage prepaid, addressed to the applicable party as set forth below with next-business-day delivery guaranteed; provided that the sending party receives a confirmation of delivery from the delivery service provider. Any notice given by facsimile shall be deemed received on the date on which notice is received except that if such notice is received after 5:00 p.m. (recipient's time) or on a non-business day, notice shall be deemed given the next business day). Any notice sent by Untied States mail shall be deemed given three (3) business days after the same has been deposited in the United States mail. Any notice given by national overnight delivery service shall be deemed given on the first business day following deposit with such delivery service. For purposes of this Agreement, the term "business day" shall mean any day other than a Saturday, Sunday or day that is a legal holiday in Montgomery County, Maryland. The address of a party set forth below may be changed by that party by written notice to the other from time to time pursuant to this Article.

To: Martha Foulon-Tonat
118 Hart Road
Gaithersburg, MD 20878

Fax No.

To: EagleBank
c/o Ronald D. Paul
7815 Woodmont Ave.
Bethesda, MD 20814
Fax No.: 301.986-8529

cc: Fred Sommer, Esquire
Shulman, Rogers, Gandal, Pordy & Ecker, P.A.
11921 Rockville Pike, 3rd Floor
Rockville, Maryland 20852
Fax No.: 301-230-2891

After August 1, 2009 to:

Fred Sommer, Esquire
Shulman, Rogers, Gandal, Pordy & Ecker, P.A.
12505 Park Potomac Avenue, Sixth Floor
Potomac, MD 20854
Fax No.:

14. Entire Agreement. This Agreement contains all of the agreements and understandings between the parties hereto with respect to the employment of Foulon-Tonat by the Bank, and supersedes all prior agreements, arrangements and understandings related to the subject matter hereof. No oral agreements or written correspondence shall be held to affect the provisions hereof. No representation, promise, inducement or statement of intention has been made by either party that is not set forth in this Agreement, and neither party shall be bound by or liable for any alleged representation, promise, inducement or statement of intention not so set forth. Not in limitation of the foregoing, this Agreement supersedes and replaces the Original Agreement, except that Foulon-Tonat shall remain entitled to receive any compensation earned but not yet paid thereunder.

15. Headings. The Article and Section headings contained in this Agreement are for reference purposes only and shall not in any way affect the meaning or interpretation of this Agreement.

16. Severability. Should any part of this Agreement for any reason be declared or held illegal, invalid or unenforceable, such determination shall not affect the legality, validity or enforceability of any remaining portion or provision of this Agreement, which remaining portions and provisions shall remain in force and effect as if this Agreement has been executed with the illegal, invalid or unenforceable portion thereof eliminated.

17. Amendment; Waiver. Neither this Agreement nor any provision hereof may be amended, modified, changed, waived, discharged or terminated except by an instrument in writing signed by the party against which enforcement of the amendment, modification, change, waiver, discharge or termination is sought. The failure of either party at any time or times to require performance of any provision hereof shall not in any manner affect the right at a later time to enforce the same. No waiver by either party of the breach of any term, provision or covenant contained in this Agreement, whether by conduct or otherwise, in any one or more instances, shall be deemed to be, or construed as, a further or continuing waiver of any such breach, or a waiver of the breach of any other term, provision or covenant contained in this Agreement.

18. Gender and Number. As used in this Agreement, the masculine, feminine and neuter gender, and the singular or plural number, shall each be deemed to include the other or others whenever the context so indicates.

19. Binding Effect. This Agreement is and shall be binding upon, and inures to the benefit of, the Bank, its successors and assigns, and Foulon-Tonat and her heirs, executors, administrators, and personal and legal representatives.

[signatures on following page]

IN WITNESS WHEREOF, the parties have executed this Amended and Restated Employment Agreement as of the date first written above.

EAGLEBANK

By: _____
Name: Ronald D. Paul
Title: Chief Executive Officer

MARTHA FOULON-TONAT

_____

Attachment A

Form of
General Release and Waiver of All Claims

Martha Foulon-Tonat ("**you**") executes this General Release And Waiver of All Claims (the "**Release**") as a condition of receiving certain payments and other benefits in accordance with the terms of Section 7.7 of your Amended and Restated Employment Agreement dated , 2008. All capitalized terms used but not otherwise defined herein shall have the same meaning as in your Employment Agreement.

1. RELEASE.

You hereby release and forever discharge EagleBank and Eagle Bancorp, Inc. [*modify to specifically include any additional Affiliates*] and each and every one of their former or current subsidiaries, parents, affiliates, directors, officers, employees, agents, parents, affiliates, successors, predecessors, subsidiaries, assigns and attorneys (the "**Released Parties**") from any and all charges, claims, damages, injury and actions, in law or equity, which you or your heirs, successors, executors, or other representatives ever had, now have, or may in the future have by reason of any act, omission, matter, cause or thing through the date of your execution of this Release. You understand that this Release is a general release of all claims you may have against the Released Parties based on any act, omission, matter, case or thing through the date of your execution of this Release.

2. WAIVER.

You realize there are many laws and regulations governing the employment relationship. These include, but are not limited to, Title VII of the Civil Rights Acts of 1964 and 1991; the Age Discrimination in Employment Act of 1967; the Americans with Disabilities Act; the National Labor Relations Act; 42 U.S.C. § 1981; the Family and Medical Leave Act; the Employee Retirement Income Security Act of 1974 (other than any accrued benefit(s) to which you have a non-forfeitable right under any pension benefit plan); the Maryland Civil Rights Act, the Maryland Wage Payment and Collection Law, Maryland Occupational Safety and Health Act, the Maryland Collective Bargaining Law, and any other state, local and federal employment laws; and any amendments to any of the foregoing. You also understand there may be other statutes and laws of contract and tort that also relate to your employment. By signing this Release, you waive and release any rights you may have against the Released Parties under these and any other laws based on any act, omission, matter, cause or thing through the date of your execution of this Release. You also agree not to initiate, join, or voluntarily participate in any action or suit in any court or to accept any damages or other relief from any such proceeding brought by anyone else based on any act, omission, matter, cause or thing through the date of your execution of this Release.

3. NOTICE PERIOD.

This document is important. We advise you to review it carefully and consult an attorney before signing it, as well as any other professional whose advice you value, such as an accountant or financial advisor. If you agree to the terms of this Release, sign in the space indicated below for your signature. You will have twenty-one (21) calendar days from the date you receive this document to consider whether to sign this Release. If you choose to sign the Release before the end of that twenty-one day period, you certify that you did so voluntarily for your own benefit and not because of any coercion.

4. RETURN OF PROPERTY.

You certify that you have fully complied with Section 8.4 of your Employment Agreement.

5. REVOCATION.

You should also understand that even after you have signed this Release, you still have seven (7) days to revoke it. To revoke your acceptance of this Release, the Chairman of the Bank's Board of Directors must receive written notice before the end of the seven (7)-day period. In the event you revoke or do not accept this Release, you will not be entitled to any of the payments or benefits that you would have been entitled to under your Employment Agreement by virtue of executing this Release. If you do not revoke this Release within seven (7) days after you sign it, it will be final, binding, and irrevocable.

IN WITNESS WHEREOF, the Parties have knowingly and voluntarily executed this Release, as of the day and year first set forth below.

Martha Foulon-Tonat	**Date**
EagleBank	**Date**

Exhibit 10.5

AMENDED AND RESTATED
EMPLOYMENT AGREEMENT

THIS AMENDED AND RESTATED EMPLOYMENT AGREEMENT ("Agreement") is made and entered into as of the 2nd day of December, 2008, by and between EagleBank, a Maryland chartered commercial bank (the "Bank"), and James H. Langmead ("Langmead").

RECITALS:

WHEREAS, the Bank and Langmead are parties to an Employment Agreement dated January 1, 2007 (the "Original Agreement"), pursuant to which Langmead serves as Executive Vice President and Chief Financial Officer of the Bank; and

WHEREAS, the parties believe that amendment of the Original Agreement is appropriate in order to ensure that Section 409A(a)(1)(B) of the Internal Revenue Code does not impose additional tax and interest on payments to Langmead; and

WHEREAS, the parties believe that amendment of the Original Agreement is appropriate in order to ensure that the provisions thereof do not impede the ability of the Bank and its affiliates to receive funds from the U.S. Department of Treasury pursuant to the Troubled Assets Relief Plan Capital Purchase Program; and

WHEREAS, to accomplish the foregoing, the parties desire to hereby enter into this Agreement to supersede and replace the Original Agreement.

NOW, THEREFORE, in consideration of the premises and the mutual covenants and agreements set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound hereby, the parties hereto agree as follows:

1. Employment. The Bank agrees to employ Langmead, and Langmead agrees to be employed as Executive Vice President and Chief Financial Officer of the Bank, subject to the terms and provisions of this Agreement.

2. Certain Definitions. As used in this Agreement, the following terms have the meanings set forth below:

2.1 "Affiliate" means, with respect to any Person, (i) any Person directly or indirectly controlling, controlled by or under common control with such Person, (ii) any Person owning or controlling fifty percent (50%) or more of the outstanding voting interests of such Person, (iii) any officer, director, general partner, managing member, or trustee of, or Person serving in a similar capacity with respect to, such Person, or (iv) any Person who is an officer, director, general partner, member, trustee, or holder of fifty percent (50%) or more of the voting interests of any Person described in clauses (i), (ii), or (iii) of this sentence. For purposes of this definition, the terms "controlling," "controlled by," or "under common control with" shall mean the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities, by contract or otherwise.

2.2 "Bancorp" means Eagle Bancorp, Inc., a Maryland corporation.

2.3 "Bank" is defined in the Recitals. If the Bank is merged into any other Entity, or transfers substantially all of its business operations or assets to another Entity, the term "Bank" shall be deemed to include such successor Entity for purposes of applying Article 8 of this Agreement.

2.4 "Bank Entities" means and includes any of the Bank, Bancorp and their Affiliates.

2.5 "Bank Regulatory Agency" means any governmental authority, regulatory agency, ministry, department, statutory corporation, central bank or other body of the United States or of any other country or of any

state or other political subdivision of any of them having jurisdiction over the Bank or any transaction contemplated, undertaken or proposed to be undertaken by the Bank, including, but not necessarily be limited to:

(a) the Federal Deposit Insurance Corporation or any other federal or state depository insurance organization or fund;

(b) the Federal Reserve System, the Maryland Division of Financial Institutions, or any other federal or state bank regulatory or commissioner's office;

(c) any Person established, organized, owned (in whole or in part) or controlled by any of the foregoing; and

(d) any predecessor, successor or assignee of any of the foregoing.

2.6 "Board" means the Board of Directors of the Bank.

2.7 "Code" means the Internal Revenue Code of 1986, as amended.

2.8 "Competitive Business" means the banking and financial services business, which includes, without limitation, consumer savings, commercial banking, the insurance and trust business, the savings and loan business and mortgage lending, or any other business in which any of the Bank Entities is engaged or has invested significant resources within the prior six (6) month period in preparation for becoming actively engaged.

2.9 "Competitive Products or Services" means, as of any time, those products or services of the type that any of the Bank Entities is providing, or is actively preparing to provide, to its customers.

2.10 "Disability" means a mental or physical condition which, in the good faith opinion of the Board, renders Langmead, with reasonable accommodation, unable or incompetent to carry out the material job responsibilities which Langmead held or the material duties to which Langmead was assigned at the time the disability was incurred, which has existed for at least three (3) months and which in the opinion of a physician mutually agreed upon by the Bank and Langmead (*provided* that neither party shall unreasonably withhold such agreement) is expected to be permanent or to last for an indefinite duration or a duration in excess of nine (9) months.

2.11 "Expiration Date" means August 31, 2011.

2.12 "Person" means any individual or Entity.

2.13 "Section 409A" means Section 409A of the Code and the regulations and administrative guidance promulgated thereunder.

2.14 "Termination Date" means the Expiration Date or such earlier date on which the Term expires pursuant to Section 3.1 or is terminated pursuant to Section 7.2, 7.3, 7.4, or 7.5, as applicable.

Other terms are defined throughout this Agreement and have the meanings so given them.

3. Term; Position.

3.1 Term. Langmead's employment hereunder shall continue until the Expiration Date, unless extended in writing by both the Bank and Langmead or sooner terminated in accordance with the provisions of this Agreement (the "Term").

3.2 Position. The Bank shall employ Langmead to serve as Executive Vice President and Chief Financial Officer of the Bank.

3.3 No Restrictions. Langmead represents and warrants to the Bank that Langmead is not subject to any legal obligations or restrictions that would prevent or limit his entering into this Agreement and performing his responsibilities hereunder.

4. Duties of Langmead.

4.1 Nature and Substance. Langmead shall report directly to and shall be under the direction of *the Chief Executive Officer*. The specific powers and duties of Langmead shall be established, determined and modified by and within the discretion of the Board.

4.2 Performance of Services. Langmead agrees to devote his full business time and attention to the performance of his duties and responsibilities under this Agreement, and shall use his best efforts and discharge his duties to the best of his ability for and on behalf of the Bank and toward its successful operation. Langmead agrees that, without the prior written consent of the Board, he will not during the Term, directly or indirectly, perform services for or obtain a financial or ownership interest in any other Entity (an "Outside Arrangement") if such Outside Arrangement would interfere with the satisfactory performance of his duties to the Bank, present a conflict of interest with the Bank and/or Bancorp, breach his duty of loyalty or fiduciary duties to the Bank and/or Bancorp, or otherwise conflict with the provisions of this Agreement. Langmead shall promptly notify the Board of any Outside Arrangement, provide the Bank with any written agreement in connection therewith and respond fully and promptly to any questions that the Board may ask with respect to any Outside Arrangement. If the Board determines that Langmead's participation in an Outside Arrangement would interfere with his satisfactory performance of his duties to the Bank, present a conflict of interest with the Bank and/or Bancorp, breach his duty of loyalty or fiduciary duties to the Bank and/or Bancorp, or otherwise conflict with the provisions of this Agreement, Langmead shall not undertake, or shall cease, such Outside Arrangement as soon as feasible after the Board notifies him of such determination. Notwithstanding any provision hereof to the contrary, this Section 4.2 does not restrict Langmead's right to own securities of any Entity that files periodic reports with the Securities and Exchange Commission under Section 13 or 15(d) of the Securities Exchange Act of 1934, as amended; provided that his total ownership constitutes less than two percent (2%) of the outstanding securities of such company.

4.3 Compliance with Law. Langmead shall comply with all laws, statutes, ordinances, rules and regulations relating to his employment and duties.

5. Compensation; Benefits. As full compensation for all services rendered pursuant to this Agreement and the covenants contained herein, the Bank shall pay to Langmead the following:

5.1 Salary. Through the end of the Term, Langmead shall be paid a salary ("Salary") of Two Hundred Forty-three Thousand One Hundred One Dollars ($243,101.00) on an annualized basis. The Bank shall pay Langmead's Salary in equal installments in accordance with the Bank's regular payroll periods as may be set by the Bank from time to time. Langmead's Salary may be further increased from time to time, at the discretion of the Board. Langmead may also be entitled to certain incentive bonus payments as determined by Board approved incentive plans.

5.2 Withholding. Payments of Salary shall be subject to the customary withholding of income and other employment taxes as is required with respect to compensation paid by an employer to an employee.

5.3 Vacation and Leave. Langmead shall be entitled to such vacation and leave as may be provided for under the current and future leave and vacation policies of the Bank for executive officers.

5.4 Office Space. The Bank will provide customary office space and office support to Langmead.

5.5 Parking. Paid parking at Langmead's regular worksite will be provided by the Bank at its expense.

5.6 Car Allowance. The Bank will pay Langmead a monthly car allowance of Seven Hundred Fifty Dollars ($750.00).

5.7 Non-Life Insurance. The Bank will provide Langmead with group health, disability and other insurance as the Bank may determine appropriate for all employees of the Bank.

5.8 Life Insurance.

5.8.1 Langmead may obtain a term life insurance policy (the "Policy") on Langmead in the amount of Seven Hundred Fifty Thousand Dollars ($750,000.00), the particular product and carrier to be chosen by Langmead in his discretion. Langmead shall have the right to designate the beneficiary of the Policy. If the Policy is obtained, Langmead shall provide the Bank with a copy of the Policy, and the Bank will pay, during the Term of this Agreement, the premiums for the Policy upon submission by Langmead to the Bank of the invoices therefor. In the event Langmead is rated and the premium exceeds the standard rate for a Seven Hundred Fifty Thousand Dollar ($750,000.00) policy, the Policy amount shall be lowered to the maximum amount that can be purchased at the standard rate for a Seven Hundred Fifty Thousand Dollar ($750,000.00) policy. For example, if Langmead is rated and the standard rate for a Seven Hundred Fifty Thousand Dollar ($750,000.00) policy would acquire a Five Hundred Thousand Dollar ($500,000.00) policy, the Bank would only be required to pay the premium for a Five Hundred Thousand Dollar ($500,000.00) policy. If a Policy is obtained and it is cancelled or terminated, Langmead shall immediately notify the Bank of such cancellation or termination.

5.8.2 The Bank may, at its cost, obtain and maintain "key-man" life insurance and/or Bank-owned life insurance on Langmead in such amount as determined by the Board from time to time. Langmead agrees to cooperate fully and to take all actions reasonably required by the Bank in connection with such insurance.

5.9 Expenses. The Bank shall, promptly upon presentation of proper expense reports therefor, pay or reimburse Langmead, in accordance with the policies and procedures established from time to time by the Bank for its officers, for all reasonable and customary travel (other than local use of an automobile for which Langmead is being provided the car allowance) and other out-of-pocket expenses incurred by Langmead in the performance of his duties and responsibilities under this Agreement and promoting the business of the Bank, including approved membership fees, dues and the cost of attending business related seminars, meetings and conventions.

5.10 Retirement Plans. Langmead shall be entitled to participate in any and all qualified pension or other retirement plans of the Bank which may be applicable to personnel of the Bank.

5.11 Other Benefits. While this Agreement is in effect, Langmead shall be entitled to all other benefits that the Bank provides from time to time to its officers.

5.12 Eligibility. Participation in any health, life, accident, disability, medical expense or similar insurance plan or any qualified pension or other retirement plan shall be subject to the terms and conditions contained in such plan. All matters of eligibility for benefits under any insurance plans shall be determined in accordance with the provisions of the applicable insurance policy issued by the applicable insurance company.

5.13 Equity Compensation. Langmead shall be eligible to receive awards of options, SARs and /or Restricted Stock under the 2006 Stock Plan of Bancorp, from time to time, at the discretion of the 2006 Plan Committee or Compensation Committee of the Board of Directors of Bancorp.

6. Conditions Subsequent to Continued Operation and Effect of Agreement.

6.1 Continued Approval by Bank Regulatory Agencies. This Agreement and all of its terms and conditions, and the continued operation and effect of this Agreement and the Bank's continuing obligations hereunder, shall at all times be subject to the continuing approval of any and all Bank Regulatory Agencies whose approval is a necessary prerequisite to the continued operation of the Bank. Should any term or condition of this Agreement, upon review by any Bank Regulatory Agency, be found to violate or not be in compliance with any then-applicable statute or any rule, regulation, order or understanding promulgated by any Bank Regulatory Agency, or should any term or condition required to be included herein by any such Bank Regulatory Agency be absent, this

Agreement may be rescinded and terminated by the Bank if the parties hereto cannot in good faith agree upon such additions, deletions or modifications as may be deemed necessary or appropriate to bring this Agreement into compliance.

7. Termination of Agreement. Prior to the Expiration Date, the Term of this Agreement may be terminated as provided below in this Article 7.

7.1 Definition of Cause. For purposes of this Agreement, "Cause" means:

(a) any act of theft, fraud, intentional misrepresentation, personal dishonesty or breach of fiduciary duty involving personal gain or similar conduct by Langmead with respect to the Bank Entities or the services to be rendered by him under this Agreement;

(b) any failure of this Agreement to comply with any Bank Regulatory Agency requirement which is not cured in accordance with Section 6.1 within a reasonable period of time after written notice thereof;

(c) any Bank Regulatory Agency action or proceeding against Langmead as a result of his negligence, fraud, malfeasance or misconduct;

(d) indictment of Langmead, or Langmead's conviction or plea of *nolo contendere* at the trial court level, of a felony, or any crime of moral turpitude, or involving dishonesty, deception or breach of trust;

(e) any of the following conduct on the part of Langmead that Langmead has not corrected or cured within thirty (30) days after having received written notice from the Bank detailing and describing such conduct (provided, however, that the Bank shall not be required to provide Langmead with notice and opportunity to cure more than two (2) times in any twelve (12) month period):

(i) habitual absenteeism, or the failure by or the inability of Langmead to devote full time attention and energy to the performance of Langmead's duties pursuant to this Agreement (other than by reason of his death or Disability);

(ii) intentional material failure by Langmead to carry out the explicit lawful and reasonable directions, instructions, policies, rules, regulations or decisions of the Board which are consistent with his position;

(iii) willful or intentional misconduct on the part of Langmead that results, or that the Board in good faith determines may result, in substantial injury to the Bank or any of its Affiliates; or

(iv) any action (including any failure to act) or conduct by Langmead in violation of a material provision of this Agreement (including but not limited to the provisions of Article 8 hereof, which shall be deemed to be material); or

(f) the use of drugs, alcohol or other substances by Langmead to an extent which materially interferes with or prevents Langmead from performing his duties under this Agreement;

(g) the determination by the Board, in the exercise of its reasonable judgment and in good faith, that Langmead's job performance is substantially unsatisfactory and that he has failed to cure such performance within a reasonable period (but in no event more than thirty (30) days) after written notice specifying in reasonable detail the nature of the unsatisfactory performance; or

(h) Langmead's commission of unethical business practices, acts of moral turpitude, financial impropriety, fraud or dishonesty in any material matter which the Board in good faith determines could adversely affect the reputation, standing or financial prospects of the Bank or its Affiliates.

7.2 Termination by the Bank for Cause. After the occurrence of any of the conditions specified in Section 7.1, the Bank shall have the right to terminate the Term for Cause immediately on written notice to Langmead.

7.3 Termination by the Bank without Cause. The Bank shall have the right to terminate the Term at any time on written notice without Cause, for any or no reason, such termination to be effective on the date on which the Bank gives such notice to Langmead or such later date as may be specified in such notice.

7.4 Termination for Death or Disability. The Term shall automatically terminate upon the death of Langmead or upon the Board's determination that Langmead is suffering from a Disability.

7.5 Termination by Langmead. Langmead shall have the right to terminate the Term at any time, such termination to be effective on the date ninety (90) days after the date on which Langmead gives such notice to the Bank unless Langmead and the Bank agree in writing to a later date on which such termination is to be effective. After receiving notice of termination, the Bank may require Langmead to devote his good faith energies to transitioning his duties to his successor and to otherwise helping to minimize the adverse impact of his resignation upon the operations of the Bank. If Langmead fails or refuses to fully cooperate with such transition, the Bank may immediately terminate Langmead, in which case it shall no longer have any obligation to pay any Salary or provide any benefits to him, but solely for purposes of Sections 8.5 and 8.6 below, the Termination Date shall be the date ninety (90) days after the date on which Langmead gives notice of termination to the Bank pursuant to the first sentence of this Section 7.5, or the later date referred to therein, whichever is later.

7.6 Pre-Termination Salary and Expenses. Without regard to the reason for, or the timing of, the termination or expiration of the Term: (a) the Bank shall pay Langmead any unpaid Salary due for the period prior to the Termination Date; and (b) following submission of proper expense reports by Langmead, the Bank shall reimburse Langmead for all expenses incurred prior to the Termination Date and subject to reimbursement pursuant to Section 5.9 hereof. These payments shall be made promptly upon termination and within the period of time mandated by law.

7.7 Severance if Termination by the Bank without Cause. Provided that Langmead signs and delivers to the Bank no later than twenty-one (21) days after the Termination Date a General Release and Waiver in the form attached to this Agreement as Exhibit A, and except as set forth below, if the Term is terminated by the Bank during the Term without Cause, the Bank shall, for a period of one (1) year following the Termination Date, (i) continue to pay Langmead, in the manner set forth below, Langmead's Salary at the rate being paid as of the Termination Date, and (ii) if Langmead timely elects to continue his health insurance benefits under COBRA, pay to the insurer Langmead's premiums for health insurance benefits continuation (for so long as Langmead remains qualified for such continuation under COBRA); provided, however, that Langmead shall not be entitled to any such payments if he is otherwise entitled to payments pursuant to Section 9.4 in relation to a Change in Control. Any payments due Langmead pursuant to this Section 7.7 shall be paid to Langmead in installments on the same schedule as Langmead was paid immediately prior to the Termination Date, each installment to be the same amount Langmead would have been paid under this Agreement if he had not been terminated. In the event Langmead breaches any provision of Article 8 of this Agreement, Langmead's entitlement to any payments payable pursuant to this Section 7.7, if and to the extent not yet paid, shall thereupon immediately cease and terminate as of the date of such breach, with Langmead having the obligation to repay to the Bank any payments that were paid to him and any payments for health insurance benefits continuation pursuant to this Section 7.7 with respect to the period after such breach occurred and before such breach became known to the Bank. Furthermore, if termination was initially not for Cause but the Bank thereafter determines in good faith that, during the Term, Langmead had engaged in conduct that would have constituted Cause, Langmead's entitlement to any payments pursuant to this Section 7.7 shall terminate retroactively to the Termination Date, with Langmead having the obligation to repay to the Bank all payments that were paid to him and any payments for health insurance benefits continuation pursuant to this Section 7.7, and, upon the return of all such payments, said General Release and Waiver shall be deemed rescinded and of no force or effect. Notwithstanding anything to the contrary in this Section 7.7, any payment pursuant to this Section shall be subject to (i) any delay in payment required by Section 10.3 hereof and (ii) any reduction required pursuant to Section 10.2 hereof.

7.8 Termination After Change in Control. Sections 9.2 and 9.3 set out provisions applicable to certain circumstances in which the Term may be terminated after Change in Control.

8. Confidentiality; Non-Competition; Non-Interference.

8.1 Confidential Information. Langmead, during employment, will have, and has had, access to and become familiar with various confidential and proprietary information of the Bank Entities and/or relating to the business of the Bank Entities ("Confidential Information"), including, but not limited to: business plans; operating results; financial statements and financial information; contracts; mailing lists; purchasing information; customer data (including lists, names and requirements); feasibility studies; personnel related information (including compensation, compensation plans, and staffing plans); internal working documents and communications; and other materials related to the businesses or activities of the Bank Entities which is made available only to employees with a need to know or which is not generally made available to the public. Failure to mark any Confidential Information as confidential, proprietary or protected information shall not affect its status as part of the Confidential Information subject to the terms of this Agreement.

8.2 Nondisclosure. Langmead hereby covenants and agrees that he shall not, directly or indirectly, disclose or use, or authorize any Person to disclose or use, any Confidential Information (whether or not any of the Confidential Information is novel or known by any other Person); provided however, that this restriction shall not apply to the use or disclosure of Confidential Information (i) to any governmental entity to the extent required by law, (ii) which is or becomes publicly known and available through no wrongful act of Langmead or any Affiliate of Langmead or (iii) in connection with the performance of Langmead's duties under this Agreement.

8.3 Nondisclosure of this Agreement. The terms, conditions and fact of this Agreement are strictly confidential. From and after the date of execution of this Agreement, Langmead agrees not to disclose, directly or indirectly, the existence of this Agreement or any of the terms and conditions herein to any Person except that Langmead may disclose the existence of this Agreement or the terms and conditions herein to Langmead's immediate family, tax, financial or legal advisers, prospective employers (with whom Langmead's employment is not prohibited by Section 8.5), any taxing authority, or as required by law. If Langmead is asked about the existence and/or terms and conditions of this Agreement, Langmead is permitted to state only that "the terms of my employment are a confidential matter that I am not able to disclose." Langmead acknowledges that the terms of this Section 8.3 are a material inducement for the Bank to enter into this Agreement. Notwithstanding the foregoing, Langmead may disclose such information regarding this Agreement as may be disclosed by the Bank Entities in any document filed with the Securities and Exchange Commission.

8.4 Documents. All files, papers, records, documents, compilations, summaries, lists, reports, notes, databases, tapes, sketches, drawings, memoranda, and similar items (collectively, "Documents"), whether prepared by Langmead, or otherwise provided to or coming into the possession of Langmead, that contain any proprietary information about or pertaining or relating to the Bank Entities (the "Bank Information") shall at all times remain the exclusive property of the Bank Entities. Promptly after a request by the Bank or the Termination Date, Langmead shall take reasonable efforts to (i) return to the Bank all Documents in any tangible form (whether originals, copies or reproductions) and all computer disks or other media containing or embodying any Document or Bank Information and (ii) purge and destroy all Documents and Bank Information in any intangible form (including computerized, digital or other electronic format) as may be requested in writing by the Chief Executive Officer of the Bank or Chairman of the Board of the Bank, and Langmead shall not retain in any form any such Document or any summary, compilation, synopsis or abstract of any Document or Bank Information.

8.5 Non-Competition. Langmead hereby acknowledges and agrees that, during the course of employment, Langmead has become, and will become, familiar with and involved in all aspects of the business and operations of the Bank Entities. Langmead hereby covenants and agrees that from the Commencement Date until the later to occur of (a) the date one (1) year after the Termination Date, or (b) the Expiration Date (the "Restricted Period"), Langmead will not at any time (except for the Bank Entities), directly or indirectly, in any capacity (whether as a proprietor, owner, agent, officer, director, shareholder, organizer, partner, principal, manager, member, employee, contractor, consultant or otherwise) provide any advice, assistance or services to any Competitive Business or to any Person that is attempting to form or acquire a Competitive Business if such Competitive Business operates, or is planning to operate, any office, branch or other facility (in any case, a

"Branch") that is (or is proposed to be) located within a thirty-five (35) mile radius of the Bank's headquarters or any Branch of the Bank Entities. Notwithstanding any provision hereof to the contrary, this Section 8.5 does not restrict Langmead's right to (i) own securities of any Entity that files periodic reports with the Securities and Exchange Commission under Section 13 or 15(d) of the Securities Exchange Act of 1934, as amended; provided that his total ownership constitutes less than two percent (2%) of the outstanding securities of such company.

8.6 Non-Interference. Langmead hereby covenants and agrees that during the Restricted Period, he will not, directly or indirectly, for himself or any other Person (whether as a proprietor, owner, agent, officer, director, shareholder, organizer, partner, principal, member, manager, employee, contractor, consultant or any other capacity):

(a) induce or attempt to induce any customer, supplier, officer, director, employee, contractor, consultant, agent or representative of, or any other Person that has a business relationship with any Bank Entity, to discontinue, terminate or reduce the extent of its, his or her relationship with any Bank Entity or to take any action that would disrupt or otherwise be disadvantageous to any such relationship;

(b) solicit any customer of any of the Bank Entities for the purpose of providing any Competitive Products or Services to such customer (other than any solicitation to the general public that is not disproportionately directed at customers of any Bank Entity); or

(c) solicit any employee of any of the Bank Entities to commence employment with, become a consultant or independent contractor to or otherwise provide services for the benefit of any other Competitive Business

In applying this Section 8.6:

(i) the term "customer" shall be deemed to include, at any time, any Person to which any of the Bank Entities had, during the six (6) month period immediately prior to such time, (A) sold any products or provided any services or (B) submitted, or been in the process of submitting or negotiating, a proposal for the sale of any product or the provision of any services;

(ii) the term "supplier" shall be deemed to include, at any time, any Person which, during the six (6) month period immediately prior to such time, (A) had sold any products or services to any of the Bank Entities or (B) had submitted to any of the Bank Entities a proposal for the sale of any products or services;

(iii) for purposes of clause (c), the term "employee" shall be deemed to include, at any time, any Person who was employed by any of the Bank Entities within the prior six (6) month period (thereby prohibiting Langmead from soliciting any Person who had been employed by any of the Bank Entities until six (6) months after the date on which such Person ceased to be so employed); and

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(iv) If during the Restricted Period any employee of any of the Bank Entities accepts employment with or is otherwise retained by any Competitive Business of which Langmead is an owner, director, officer, manager, member, employee, partner or employee, or to which Langmead provides material services, it shall be presumed that such employee was hired in violation of the restriction set forth in clause (c) of this Section 8.6, with such presumption to be overcome only upon Langmead's showing by a preponderance of the evidence that he was not directly or indirectly involved in the hiring, soliciting or encouraging such employee to leave employment with the Bank Entities.

8.7 Injunction. In the event of any breach or threatened or attempted breach of any provision of this Article 8 by Langmead, the Bank shall, in addition to and not to the exclusion of any other rights and remedies at law or in equity, be entitled to seek and receive from any court of competent jurisdiction (i) full temporary and permanent injunctive relief enjoining and restraining Langmead and each and every other Person concerned therein from the continuation of such violative acts and (ii) a decree for specific performance of the applicable provisions of this Agreement, without being required to furnish any bond or other security.

8.8 Reasonableness.

8.8.1 Langmead has carefully read and considered the provisions of this Article 8 and, having done so, agrees that the restrictions and agreements set forth in this Article 8 are fair and reasonable and are reasonably required for the protection of the interests of the Bank Entities and their respective businesses, shareholders, directors, officers and employees. Langmead further agrees that the restrictions set forth in this Agreement will not impair or unreasonably restrain his ability to earn a livelihood.

8.8.2 If any court of competent jurisdiction should determine that the duration, geographical area or scope of any provision or restriction set forth in this Article 8 exceeds the maximum duration, geographic area or scope that is reasonable and enforceable under applicable law, the parties agree that said provision shall automatically be modified and shall be deemed to extend only over the maximum duration, geographical area and/or scope as to which such provision or restriction said court determines to be valid and enforceable under applicable law, which determination the parties direct the court to make, and the parties agree to be bound by such modified provision or restriction.

9. Change in Control.

9.1 Definition. "Change in Control" means and shall be deemed to have occurred if:

(a) there shall be consummated (i) any consolidation, merger, share exchange, or similar transaction relating to Bancorp, or pursuant to which shares of Bancorp's capital stock are converted into cash, securities of another Entity and/or other property, other than a transaction in which the holders of Bancorp'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, or (ii) any sale of all or substantially all of the assets of Bancorp, 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 U.S. Treasury Regulations;

(b) any person, entity or group (each within the meaning of Sections 13(d) and 14(d)(2) of the Securities Exchange Act of 1934, as amended (the "Exchange Act")) shall become the beneficial owner (within the meaning of Rules 13d-3 and 13d-5 under the Exchange Act), directly or indirectly, of securities of Bancorp representing more than fifty percent (50%) of the voting power of all outstanding securities of Bancorp entitled to vote generally in the election of directors of Bancorp (including, without limitation, any securities of Bancorp that any such Person has the right to acquire pursuant to any agreement, or upon exercise of conversion rights, warrants or options, or otherwise, which shall be deemed beneficially owned by such Person); or

(c) over a twelve (12) month period, a majority of the members of the Board of Directors of Bancorp are replaced by directors whose appointment or election was not endorsed by a majority of the members of the Board of Directors of Bancorp in office prior to such appointment or election.

Notwithstanding the foregoing, if the event purportedly constituting a Change in Control under Section 9.1(a), Section 9.1(b), or Section 9.1(c) does not also constitute a "change in ownership" of Bancorp, a "change in effective control" of Bancorp, or a "change in the ownership of a substantial portion of the assets" of Bancorp within the meaning of Section 409A, then such event shall not constitute a "Change in Control" hereunder.

9.2 Change in Control Termination. For purposes of this Agreement, a "Change in Control Termination" means that while this Agreement is in effect:

(a) Langmead's employment with the Bank is terminated without Cause (i) within one hundred twenty (120) days immediately prior to and in conjunction with a Change in Control or (ii) within twelve (12) months following consummation of a Change in Control; or

(b) Within twelve (12) months following consummation of a Change in Control, Langmead's title, duties and or position have been materially reduced such that Langmead is not in a comparable position (with materially comparable compensation, benefits and responsibilities and is located within twenty-five (25) miles of Langmead's primary worksite) to the position he held immediately prior to the Change in Control, and within thirty

(30) days after notification of such reduction he notifies the Bank that he is terminating his employment due to such change in his employment unless such change is cured within thirty (30) days of such notice by providing him with a comparable position (including materially comparable compensation and benefits and is located within twenty-five (25) miles of Langmead's primary worksite). If Langmead's employment is terminated under this Section, his last day of employment shall be mutually agreed to by Langmead and the Bank, but shall be not more than sixty (60) days after such notice is given by Langmead.

9.3 Window Period Resignation After Change in Control. If at the expiration of the twelve (12) month period following consummation of a Change in Control (the "Action Period"), Langmead's employment by the Bank has not been terminated, Langmead may, by giving written notice to the Bank within the thirty (30) day period immediately following the last day of the Action Period, elect to terminate the Term, in which event his last day of employment will be as mutually agreed to by the Bank and Langmead but which shall be not more than sixty (60) days after such notice is given by Langmead.

9.4 Change in Control Payment. If there is a Change in Control Termination pursuant to Section 9.2 or Langmead resigns after the Action Period pursuant to Section 9.3, Langmead shall be paid a lump-sum cash payment (the "Change Payment") equal to 2.99 times Langmead's Salary at the highest rate in effect during the twelve (12) month period immediately preceding his Termination Date, such Change Payment to be made to Langmead within forty-five (45) days after the later of (i) his Termination Date or (ii) the date of the Change in Control, the exact date of payment to be determined in the sole discretion of the Bank; provided, however, that the Bank shall be relieved of its obligation to pay the Change Payment if Langmead fails to sign and deliver to the Bank no later than twenty-one (21) days after the Termination Date a General Release and Waiver in the form attached to this Agreement as Exhibit A. Notwithstanding anything to the contrary in this Section 9.4, any payment pursuant to this Section shall be subject to (i) any delay in payment required by Section 10.3 hereof and (ii) any reduction required pursuant to Section 10.2 hereof, as applicable.

10. Compliance with Certain Restrictions.

10.1 Certain Defined Terms. For purposes of this Agreement, the following terms are defined as follows:

(a) "Additional 280G Payments" means any distributions in the nature of compensation by any Bank Entity to or for the benefit of Langmead (including, but not limited to, the value of acceleration in vesting in restricted stock, options or any other stock-based compensation), whether or not paid or payable or distributed or distributable pursuant to this Agreement, which is required to be taken into consideration in applying Section 280G(b)(2)(A) of the Code;

(b) "Applicable Severance" means Langmead's severance from employment by reason of involuntary termination by the Bank or in connection with any bankruptcy, liquidation or receivership of the Bank or any other entity that is treated as the same employer under EESA, in each case as determined under the regulations implementing Section 111(b) of EESA;

(c) Authorities Period" means the period under which the authorities of Section 101 of EESA are in effect, as determined pursuant to Section 120 thereof;

(d) "Determining Firm" means a reputable law or accounting firm selected by the Bank to make a determination pursuant to this Article 10;

(e) "EESA" means the Emergency Economic Stabilization Act of 2008, Public Law 110-343, as implemented by any guidance or regulations thereunder;

(f) "Incentive Compensation" means all bonus and other incentive-based compensation, as those terms are applied under EESA;

(g) "Parachute Payment" is defined as set forth in Section 280G(b)(2) of the Code, with amounts payable during the Authorities Period upon Applicable Severance being specifically included in applying such provision;

(h) "Total Change in Control Payments" means the total amount of the Change Payment together with all Additional 280G Payments that are required to be paid because of a Change in Control; and

(i) "Total Severance Payments" means the total amount of payments, including Additional 280G Payments, that are required to be paid to Langmead but that would not have been payable to him if no Applicable Severance had occurred.

10.2 Compliance with Section 280G.

(a) Notwithstanding anything in this Agreement to the contrary, if any amount becomes payable to Langmead because of an Applicable Severance and (ii) the Determining Firm determines that any portion of the Total Severance Payments would otherwise constitute a Parachute Payment, the amount payable to Langmead shall automatically be reduced by the smallest amount necessary so that no portion of the Total Severance Payments will be a Parachute Payment. If Total Severance Payments are to be paid in other than a lump sum, such reduction shall be applied in inverse order to the time at which the payments are scheduled to be made (e.g., the last scheduled payment will be the first such payment to be reduced). If, despite the foregoing sentence, a payment shall be made to Langmead that would constitute a Parachute Payment, Langmead shall have no right to retain such payment, and, immediately upon being informed of the impropriety of such payment, Langmead shall return such payment to the Bank or other Bank Entity that was the payer thereof, together with interest at the applicable federal rate determined pursuant to Section 1274(d) of the Code.

(b) Notwithstanding anything in this Agreement to the contrary, other than Section 10.2(a) above, if the Determining Firm determines that any portion of the Total Change in Control Payments would otherwise constitute a Parachute Payment, the amount payable to Langmead shall automatically be reduced by the smallest amount necessary so that no portion of the Total Change in Control Payments will be a Parachute Payment. If Total Change in Control Payments are to be paid in other than a lump sum, such reduction shall be applied in inverse order to the time at which the payments are scheduled to be made (e.g., the last scheduled payment will be the first such payment to be reduced). If, despite the foregoing sentence, a payment shall be made to Langmead that would constitute a Parachute Payment, Langmead shall have no right to retain such payment and, immediately upon being informed of the impropriety of such payment, Langmead shall return such payment to the Bank or other Bank Entity that was the payer thereof, together with interest at the applicable federal rate determined pursuant to Section 1274(d) of the Code.

10.3 Compliance with Section 409A.

(a) It is the intention of the parties hereto that this Agreement and the payments provided for hereunder shall not be subject to, or shall be in accordance with, Section 409A, and thus avoid the imposition of any tax and interest on Langmead pursuant to Section 409A(a)(1)(B) of the Code, and this Agreement shall be interpreted and construed consistent with this intent. Langmead acknowledges and agrees that he shall be solely responsible for the payment of any tax or penalty which may be imposed or to which he may become subject as a result of the payment of any amounts under this Agreement.

(b) Notwithstanding any provision of this Agreement to the contrary, if Langmead is a "specified employee" at the time of his "separation from service", any payment of "nonqualified deferred compensation" (in each case as determined pursuant to Section 409A) that is otherwise to be paid to Langmead within six (6) months following his separation from service, then to the extent that such payment would otherwise be subject to interest and additional tax under Section 409A(a)(1)(B) of the Code, such payment shall be delayed and shall be paid on the first business day of the seventh calendar month following Langmead's separation from service, or, if earlier, upon Langmead's death. Any deferral of payments pursuant to the foregoing sentence shall have no effect on any payments that are scheduled to be paid more than six (6) months after the date of separation from service.

(c) The parties hereto agree that they shall take such actions as may be necessary and permissible under applicable law, regulation and guidance to amend or revise this Agreement in order to ensure that Section 409A(a)(1)(B) does not impose additional tax and interest on payments made pursuant to this Agreement.

10.4 Clawback if Material Inaccuracy. If any Incentive Compensation that is paid to Langmead by the Bank or any other Bank Entity while the U.S. Treasury holds any equity securities in Bancorp is based on any materially inaccurate financial statement or other materially inaccurate performance metric criteria, as those terms are applied under EESA, Langmead shall be required to disgorge and pay over to the Bank or such other Bank Entity all such Incentive Compensation, together with interest at the applicable federal rate determined pursuant to Section 1274(d) of the Code.

11. Assignability. Langmead shall have no right to assign this Agreement or any of his rights or obligations hereunder to another party or parties. The Bank may assign this Agreement to any of its Affiliates or to any Person that acquires a substantial portion of the operating assets of the Bank. Upon any such assignment by the Bank, references in this Agreement to the Bank shall automatically be deemed to refer to such assignee instead of, or in addition to, the Bank, as appropriate in the context.

12. Governing Law; Venue. This Agreement shall be governed by and construed in accordance with the laws of the State of Maryland applicable to contracts executed and to be performed therein, without giving effect to the choice of law rules thereof. Any action to enforce any provision of this Agreement may be brought only in a court of the State of Maryland or in the United States District Court for the District of Maryland. Accordingly, each party (a) agrees to submit to the jurisdiction of such courts and to accept service of process at its address for notices and in the manner provided in Section 13 for the giving of notices in any such action or proceeding brought in any such court and (b) irrevocably waives any objection to the laying of venue of any such proceeding brought in such a court and any claim that any such proceeding brought in such a court has been brought in an inconvenient or inappropriate forum.

13. Notices. All notices, requests, demands and other communications required to be given or permitted to be given under this Agreement shall be in writing and shall be conclusively deemed to have been given as follows: (a) when hand delivered to the other party; (b) when received by facsimile at the facsimile number set forth below, provided, however, that any notice given by facsimile shall not be effective unless either (i) a duplicate copy of such facsimile notice is promptly given by depositing the same in a United States post office first-class postage prepaid and addressed to the applicable party as set forth below or (ii) the receiving party delivers a written confirmation of receipt for such notice either by facsimile or by any other method permitted under this Section; or (c) when deposited in a United States post office with first-class certified mail, return receipt requested, postage prepaid and addressed to the applicable party as set forth below; or (d) when deposited with a national overnight delivery service reasonably approved by the parties (Federal Express and DHL WorldWide Express being deemed approved by the parties), postage prepaid, addressed to the applicable party as set forth below with next-business-day delivery guaranteed; provided that the sending party receives a confirmation of delivery from the delivery service provider. Any notice given by facsimile shall be deemed received on the date on which notice is received except that if such notice is received after 5:00 p.m. (recipient's time) or on a non-business day, notice shall be deemed given the next business day). Any notice sent by Untied States mail shall be deemed given three (3) business days after the same has been deposited in the United States mail. Any notice given by national overnight delivery service shall be deemed given on the first business day following deposit with such delivery service. For purposes of this Agreement, the term "business day" shall mean any day other than a Saturday, Sunday or day that is a legal holiday in Montgomery County, Maryland. The address of a party set forth below may be changed by that party by written notice to the other from time to time pursuant to this Article.

To: James H. Langmead

Fax No.

To: EagleBank
c/o Ronald D. Paul
7815 Woodmont Ave.
Bethesda, MD 20814
Fax No.: 301.986-8529

cc: Fred Sommer, Esquire
Shulman, Rogers, Gandal, Pordy & Ecker, P.A.
11921 Rockville Pike, 3rd Floor
Rockville, Maryland 20852
Fax No.: 301-230-2891

After August 1, 2009 to:

Fred Sommer, Esquire
Shulman, Rogers, Gandal, Pordy & Ecker, P.A.
12505 Park Potomac Avenue, Sixth Floor
Potomac, MD 20854
Fax No.:

14. Entire Agreement. This Agreement contains all of the agreements and understandings between the parties hereto with respect to the employment of Langmead by the Bank, and supersedes all prior agreements, arrangements and understandings related to the subject matter hereof. No oral agreements or written correspondence shall be held to affect the provisions hereof. No representation, promise, inducement or statement of intention has been made by either party that is not set forth in this Agreement, and neither party shall be bound by or liable for any alleged representation, promise, inducement or statement of intention not so set forth. Not in limitation of the foregoing, this Agreement supersedes and replaces the Original Agreement, except that Langmead shall remain entitled to receive any compensation earned but not yet paid thereunder.

15. Headings. The Article and Section headings contained in this Agreement are for reference purposes only and shall not in any way affect the meaning or interpretation of this Agreement.

16. Severability. Should any part of this Agreement for any reason be declared or held illegal, invalid or unenforceable, such determination shall not affect the legality, validity or enforceability of any remaining portion or provision of this Agreement, which remaining portions and provisions shall remain in force and effect as if this Agreement has been executed with the illegal, invalid or unenforceable portion thereof eliminated.

17. Amendment; Waiver. Neither this Agreement nor any provision hereof may be amended, modified, changed, waived, discharged or terminated except by an instrument in writing signed by the party against which enforcement of the amendment, modification, change, waiver, discharge or termination is sought. The failure of either party at any time or times to require performance of any provision hereof shall not in any manner affect the right at a later time to enforce the same. No waiver by either party of the breach of any term, provision or covenant contained in this Agreement, whether by conduct or otherwise, in any one or more instances, shall be deemed to be, or construed as, a further or continuing waiver of any such breach, or a waiver of the breach of any other term, provision or covenant contained in this Agreement.

18. Gender and Number. As used in this Agreement, the masculine, feminine and neuter gender, and the singular or plural number, shall each be deemed to include the other or others whenever the context so indicates.

19. Binding Effect. This Agreement is and shall be binding upon, and inures to the benefit of, the Bank, its successors and assigns, and Langmead and his heirs, executors, administrators, and personal and legal representatives.

[signatures on following page]

IN WITNESS WHEREOF, the parties have executed this Amended and Restated Employment Agreement as of the date first written above.

EAGLEBANK

By: _____
Name: Ronald D. Paul
Title: Chief Executive Officer

JAMES H. LANGMEAD

_____

Attachment A

Form of
General Release and Waiver of All Claims

James H. Langmead ("**you**") executes this General Release And Waiver of All Claims (the "**Release**") as a condition of receiving certain payments and other benefits in accordance with the terms of Section 7.7 of your Amended and Restated Employment Agreement dated , 2008. All capitalized terms used but not otherwise defined herein shall have the same meaning as in your Employment Agreement.

1. RELEASE.

You hereby release and forever discharge EagleBank and Eagle Bancorp, Inc. [*modify to specifically include any additional Affiliates*] and each and every one of their former or current subsidiaries, parents, affiliates, directors, officers, employees, agents, parents, affiliates, successors, predecessors, subsidiaries, assigns and attorneys (the "**Released Parties**") from any and all charges, claims, damages, injury and actions, in law or equity, which you or your heirs, successors, executors, or other representatives ever had, now have, or may in the future have by reason of any act, omission, matter, cause or thing through the date of your execution of this Release. You understand that this Release is a general release of all claims you may have against the Released Parties based on any act, omission, matter, case or thing through the date of your execution of this Release.

2. WAIVER.

You realize there are many laws and regulations governing the employment relationship. These include, but are not limited to, Title VII of the Civil Rights Acts of 1964 and 1991; the Age Discrimination in Employment Act of 1967; the Americans with Disabilities Act; the National Labor Relations Act; 42 U.S.C. § 1981; the Family and Medical Leave Act; the Employee Retirement Income Security Act of 1974 (other than any accrued benefit(s) to which you have a non-forfeitable right under any pension benefit plan); the Maryland Civil Rights Act, the Maryland Wage Payment and Collection Law, Maryland Occupational Safety and Health Act, the Maryland Collective Bargaining Law, and any other state, local and federal employment laws; and any amendments to any of the foregoing. You also understand there may be other statutes and laws of contract and tort that also relate to your employment. By signing this Release, you waive and release any rights you may have against the Released Parties under these and any other laws based on any act, omission, matter, cause or thing through the date of your execution of this Release. You also agree not to initiate, join, or voluntarily participate in any action or suit in any court or to accept any damages or other relief from any such proceeding brought by anyone else based on any act, omission, matter, cause or thing through the date of your execution of this Release.

3. NOTICE PERIOD.

This document is important. We advise you to review it carefully and consult an attorney before signing it, as well as any other professional whose advice you value, such as an accountant or financial advisor. If you agree to the terms of this Release, sign in the space indicated below for your signature. You will have twenty-one (21) calendar days from the date you receive this document to consider whether to sign this Release. If you choose to sign the Release before the end of that twenty-one day period, you certify that you did so voluntarily for your own benefit and not because of any coercion.

4. RETURN OF PROPERTY.

You certify that you have fully complied with Section 8.4 of your Employment Agreement.

5. REVOCATION.

You should also understand that even after you have signed this Release, you still have seven (7) days to revoke it. To revoke your acceptance of this Release, the Chairman of the Bank's Board of Directors must receive written notice before the end of the seven (7)-day period. In the event you revoke or do not accept this Release, you will not be entitled to any of the payments or benefits that you would have been entitled to under your Employment Agreement by virtue of executing this Release. If you do not revoke this Release within seven (7) days after you sign it, it will be final, binding, and irrevocable.

IN WITNESS WHEREOF, the Parties have knowingly and voluntarily executed this Release, as of the day and year first set forth below.

James H. Langmead	**Date**
EagleBank	**Date**

Exhibit 10.6

AMENDED AND RESTATED
EMPLOYMENT AGREEMENT

THIS AMENDED AND RESTATED EMPLOYMENT AGREEMENT ("Agreement") is made and entered into as of the 2nd day of December, 2008, by and between EagleBank, a Maryland chartered commercial bank (the "Bank"), and Thomas D. Murphy ("Murphy").

RECITALS:

WHEREAS, the Bank and Murphy are parties to an Employment Agreement dated January 1, 2007 (the "Original Agreement"), pursuant to which Murphy serves as the Bank's President – Montgomery County Region; and

WHEREAS, the parties believe that amendment of the Original Agreement is appropriate in order to ensure that Section 409A(a)(1)(B) of the Internal Revenue Code does not impose additional tax and interest on payments to Murphy; and

WHEREAS, the parties believe that amendment of the Original Agreement is appropriate in order to ensure that the provisions thereof do not impede the ability of the Bank and its affiliates to receive funds from the U.S. Department of Treasury pursuant to the Troubled Assets Relief Plan Capital Purchase Program; and

WHEREAS, to accomplish the foregoing, the parties desire to hereby enter into this Agreement to supersede and replace the Original Agreement.

NOW, THEREFORE, in consideration of the premises and the mutual covenants and agreements set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound hereby, the parties hereto agree as follows:

1. Employment. The Bank agrees to employ Murphy, and Murphy agrees to be employed as the Bank's President – Montgomery County Region, subject to the terms and provisions of this Agreement.

2. Certain Definitions. As used in this Agreement, the following terms have the meanings set forth below:

2.1 "Affiliate" means, with respect to any Person, (i) any Person directly or indirectly controlling, controlled by or under common control with such Person, (ii) any Person owning or controlling fifty percent (50%) or more of the outstanding voting interests of such Person, (iii) any officer, director, general partner, managing member, or trustee of, or Person serving in a similar capacity with respect to, such Person, or (iv) any Person who is an officer, director, general partner, member, trustee, or holder of fifty percent (50%) or more of the voting interests of any Person described in clauses (i), (ii), or (iii) of this sentence. For purposes of this definition, the terms "controlling," "controlled by," or "under common control with" shall mean the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities, by contract or otherwise.

2.2 "Bancorp" means Eagle Bancorp, Inc., a Maryland corporation.

2.3 "Bank" is defined in the Recitals. If the Bank is merged into any other Entity, or transfers substantially all of its business operations or assets to another Entity, the term "Bank" shall be deemed to include such successor Entity for purposes of applying Article 8 of this Agreement.

2.4 "Bank Entities" means and includes any of the Bank, Bancorp and their Affiliates.

2.5 "Bank Regulatory Agency" means any governmental authority, regulatory agency, ministry, department, statutory corporation, central bank or other body of the United States or of any other country or of any state or other political subdivision of any of them having jurisdiction over the Bank or any transaction contemplated, undertaken or proposed to be undertaken by the Bank, including, but not necessarily be limited to:

(a) the Federal Deposit Insurance Corporation or any other federal or state depository insurance organization or fund;

(b) the Federal Reserve System, the Maryland Division of Financial Institutions, or any other federal or state bank regulatory or commissioner's office;

(c) any Person established, organized, owned (in whole or in part) or controlled by any of the foregoing; and

(d) any predecessor, successor or assignee of any of the foregoing.

2.6 "Board" means the Board of Directors of the Bank.

2.7 "Code" means the Internal Revenue Code of 1986, as amended.

2.8 "Competitive Business" means the banking and financial services business, which includes, without limitation, consumer savings, commercial banking, the insurance and trust business, the savings and loan business and mortgage lending, or any other business in which any of the Bank Entities is engaged or has invested significant resources within the prior six (6) month period in preparation for becoming actively engaged.

2.9 "Competitive Products or Services" means, as of any time, those products or services of the type that any of the Bank Entities is providing, or is actively preparing to provide, to its customers.

2.10 "Disability" means a mental or physical condition which, in the good faith opinion of the Board, renders Murphy, with reasonable accommodation, unable or incompetent to carry out the material job responsibilities which Murphy held or the material duties to which Murphy was assigned at the time the disability was incurred, which has existed for at least three (3) months and which in the opinion of a physician mutually agreed upon by the Bank and Murphy (*provided* that neither party shall unreasonably withhold such agreement) is expected to be permanent or to last for an indefinite duration or a duration in excess of nine (9) months.

2.11 "Expiration Date" means August 31, 2011.

2.12 "Person" means any individual or Entity.

2.13 "Section 409A" means Section 409A of the Code and the regulations and administrative guidance promulgated thereunder.

2.14 "Termination Date" means the Expiration Date or such earlier date on which the Term expires pursuant to Section 3.1 or is terminated pursuant to Section 7.2, 7.3, 7.4, or 7.5, as applicable.

Other terms are defined throughout this Agreement and have the meanings so given them.

3. Term; Position.

3.1 Term. Murphy's employment hereunder shall continue until the Expiration Date, unless extended in writing by both the Bank and Murphy or sooner terminated in accordance with the provisions of this Agreement (the "Term").

3.2 Position. The Bank shall employ Murphy to serve as the Bank's President – Montgomery County Region.

3.3 No Restrictions. Murphy represents and warrants to the Bank that Murphy is not subject to any legal obligations or restrictions that would prevent or limit his entering into this Agreement and performing his responsibilities hereunder.

4. Duties of Murphy.

4.1 Nature and Substance. Murphy shall report directly to and shall be under the direction of *the Chief Executive Officer*.. The specific powers and duties of Murphy shall be established, determined and modified by and within the discretion of the Board.

4.2 Performance of Services. Murphy agrees to devote his full business time and attention to the performance of his duties and responsibilities under this Agreement, and shall use his best efforts and discharge his duties to the best of his ability for and on behalf of the Bank and toward its successful operation. Murphy agrees that, without the prior written consent of the Board, he will not during the Term, directly or indirectly, perform services for or obtain a financial or ownership interest in any other Entity (an "Outside Arrangement") if such Outside Arrangement would interfere with the satisfactory performance of his duties to the Bank, present a conflict of interest with the Bank and/or Bancorp, breach his duty of loyalty or fiduciary duties to the Bank and/or Bancorp, or otherwise conflict with the provisions of this Agreement. Murphy shall promptly notify the Board of any Outside Arrangement, provide the Bank with any written agreement in connection therewith and respond fully and promptly to any questions that the Board may ask with respect to any Outside Arrangement. If the Board determines that Murphy's participation in an Outside Arrangement would interfere with his satisfactory performance of his duties to the Bank, present a conflict of interest with the Bank and/or Bancorp, breach his duty of loyalty or fiduciary duties to the Bank and/or Bancorp, or otherwise conflict with the provisions of this Agreement, Murphy shall not undertake, or shall cease, such Outside Arrangement as soon as feasible after the Board notifies him of such determination. Notwithstanding any provision hereof to the contrary, this Section 4.2 does not restrict Murphy's right to own securities of any Entity that files periodic reports with the Securities and Exchange Commission under Section 13 or 15(d) of the Securities Exchange Act of 1934, as amended; provided that his total ownership constitutes less than two percent (2%) of the outstanding securities of such company.

4.3 Compliance with Law. Murphy shall comply with all laws, statutes, ordinances, rules and regulations relating to his employment and duties.

5. Compensation; Benefits. As full compensation for all services rendered pursuant to this Agreement and the covenants contained herein, the Bank shall pay to Murphy the following:

5.1 Salary. Through the end of the Term, Murphy shall be paid a salary ("Salary") of Two Hundred Forty-three Thousand One Hundred One Dollars ($243,101.00) on an annualized basis. The Bank shall pay Murphy's Salary in equal installments in accordance with the Bank's regular payroll periods as may be set by the Bank from time to time. Murphy's Salary may be further increased from time to time, at the discretion of the Board. Murphy may also be entitled to certain incentive bonus payments as determined by Board approved incentive plans.

5.2 Withholding. Payments of Salary shall be subject to the customary withholding of income and other employment taxes as is required with respect to compensation paid by an employer to an employee.

5.3 Vacation and Leave. Murphy shall be entitled to such vacation and leave as may be provided for under the current and future leave and vacation policies of the Bank for executive officers.

5.4 Office Space. The Bank will provide customary office space and office support to Murphy.

5.5 Parking. Paid parking at Murphy's regular worksite will be provided by the Bank at its expense.

5.6 Car Allowance. The Bank will pay Murphy a monthly car allowance of Seven Hundred Fifty Dollars ($750.00).

5.7 Non-Life Insurance. The Bank will provide Murphy with group health, disability and other insurance as the Bank may determine appropriate for all employees of the Bank.

5.8 Life Insurance.

5.8.1 Murphy may obtain a term life insurance policy (the "Policy") on Murphy in the amount of

Seven Hundred Fifty Thousand Dollars ($750,000.00), the particular product and carrier to be chosen by Murphy in his discretion. Murphy shall have the right to designate the beneficiary of the Policy. If the Policy is obtained, Murphy shall provide the Bank with a copy of the Policy, and the Bank will pay, during the Term of this Agreement, the premiums for the Policy upon submission by Murphy to the Bank of the invoices therefor. In the event Murphy is rated and the premium exceeds the standard rate for a Seven Hundred Fifty Thousand Dollar ($750,000.00) policy, the Policy amount shall be lowered to the maximum amount that can be purchased at the standard rate for a Seven Hundred Fifty Thousand Dollar ($750,000.00) policy. For example, if Murphy is rated and the standard rate for a Seven Hundred Fifty Thousand Dollar ($750,000.00) policy would acquire a Five Hundred Thousand Dollar ($500,000.00) policy, the Bank would only be required to pay the premium for a Five Hundred Thousand Dollar ($500,000.00) policy. If a Policy is obtained and it is cancelled or terminated, Murphy shall immediately notify the Bank of such cancellation or termination.

5.8.2 The Bank may, at its cost, obtain and maintain "key-man" life insurance and/or Bank-owned life insurance on Murphy in such amount as determined by the Board from time to time. Murphy agrees to cooperate fully and to take all actions reasonably required by the Bank in connection with such insurance.

5.9 Expenses. The Bank shall, promptly upon presentation of proper expense reports therefor, pay or reimburse Murphy, in accordance with the policies and procedures established from time to time by the Bank for its officers, for all reasonable and customary travel (other than local use of an automobile for which Murphy is being provided the car allowance) and other out-of-pocket expenses incurred by Murphy in the performance of his duties and responsibilities under this Agreement and promoting the business of the Bank, including approved membership fees, dues and the cost of attending business related seminars, meetings and conventions.

5.10 Retirement Plans. Murphy shall be entitled to participate in any and all qualified pension or other retirement plans of the Bank which may be applicable to personnel of the Bank.

5.11 Other Benefits. While this Agreement is in effect, Murphy shall be entitled to all other benefits that the Bank provides from time to time to its officers.

5.12 Eligibility. Participation in any health, life, accident, disability, medical expense or similar insurance plan or any qualified pension or other retirement plan shall be subject to the terms and conditions contained in such plan. All matters of eligibility for benefits under any insurance plans shall be determined in accordance with the provisions of the applicable insurance policy issued by the applicable insurance company.

5.13 Equity Compensation. Murphy shall be eligible to receive awards of options, SARs and /or Restricted Stock under the 2006 Stock Plan of Bancorp, from time to time, at the discretion of the 2006 Plan Committee or Compensation Committee of the Board of Directors of Bancorp.

6. Conditions Subsequent to Continued Operation and Effect of Agreement.

6.1 Continued Approval by Bank Regulatory Agencies. This Agreement and all of its terms and conditions, and the continued operation and effect of this Agreement and the Bank's continuing obligations hereunder, shall at all times be subject to the continuing approval of any and all Bank Regulatory Agencies whose approval is a necessary prerequisite to the continued operation of the Bank. Should any term or condition of this Agreement, upon review by any Bank Regulatory Agency, be found to violate or not be in compliance with any then-applicable statute or any rule, regulation, order or understanding promulgated by any Bank Regulatory Agency, or should any term or condition required to be included herein by any such Bank Regulatory Agency be absent, this Agreement may be rescinded and terminated by the Bank if the parties hereto cannot in good faith agree upon such additions, deletions or modifications as may be deemed necessary or appropriate to bring this Agreement into compliance.

7. Termination of Agreement. Prior to the Expiration Date, the Term of this Agreement may be terminated as provided below in this Article 7.

7.1 Definition of Cause. For purposes of this Agreement, "Cause" means:

(a) any act of theft, fraud, intentional misrepresentation, personal dishonesty or breach of fiduciary duty involving personal gain or similar conduct by Murphy with respect to the Bank Entities or the services to be rendered by him under this Agreement;

(b) any failure of this Agreement to comply with any Bank Regulatory Agency requirement which is not cured in accordance with Section 6.1 within a reasonable period of time after written notice thereof;

(c) any Bank Regulatory Agency action or proceeding against Murphy as a result of his negligence, fraud, malfeasance or misconduct;

(d) indictment of Murphy, or Murphy's conviction or plea of *nolo contendere* at the trial court level, of a felony, or any crime of moral turpitude, or involving dishonesty, deception or breach of trust;

(e) any of the following conduct on the part of Murphy that Murphy has not corrected or cured within thirty (30) days after having received written notice from the Bank detailing and describing such conduct (provided, however, that the Bank shall not be required to provide Murphy with notice and opportunity to cure more than two (2) times in any twelve (12) month period):

(i) habitual absenteeism, or the failure by or the inability of Murphy to devote full time attention and energy to the performance of Murphy's duties pursuant to this Agreement (other than by reason of his death or Disability);

(ii) intentional material failure by Murphy to carry out the explicit lawful and reasonable directions, instructions, policies, rules, regulations or decisions of the Board which are consistent with his position;

(iii) willful or intentional misconduct on the part of Murphy that results, or that the Board in good faith determines may result, in substantial injury to the Bank or any of its Affiliates; or

(iv) any action (including any failure to act) or conduct by Murphy in violation of a material provision of this Agreement (including but not limited to the provisions of Article 8 hereof, which shall be deemed to be material); or

(f) the use of drugs, alcohol or other substances by Murphy to an extent which materially interferes with or prevents Murphy from performing his duties under this Agreement;

(g) the determination by the Board, in the exercise of its reasonable judgment and in good faith, that Murphy's job performance is substantially unsatisfactory and that he has failed to cure such performance within a reasonable period (but in no event more than thirty (30) days) after written notice specifying in reasonable detail the nature of the unsatisfactory performance; or

(h) Murphy's commission of unethical business practices, acts of moral turpitude, financial impropriety, fraud or dishonesty in any material matter which the Board in good faith determines could adversely affect the reputation, standing or financial prospects of the Bank or its Affiliates.

7.2 Termination by the Bank for Cause. After the occurrence of any of the conditions specified in Section 7.1, the Bank shall have the right to terminate the Term for Cause immediately on written notice to Murphy.

7.3 Termination by the Bank without Cause. The Bank shall have the right to terminate the Term at any time on written notice without Cause, for any or no reason, such termination to be effective on the date on which the Bank gives such notice to Murphy or such later date as may be specified in such notice.

7.4 Termination for Death or Disability. The Term shall automatically terminate upon the death of Murphy or upon the Board's determination that Murphy is suffering from a Disability.

7.5 Termination by Murphy. Murphy shall have the right to terminate the Term at any time, such termination to be effective on the date ninety (90) days after the date on which Murphy gives such notice to the Bank unless Murphy and the Bank agree in writing to a later date on which such termination is to be effective. After receiving notice of termination, the Bank may require Murphy to devote his good faith energies to transitioning his duties to his successor and to otherwise helping to minimize the adverse impact of his resignation upon the operations of the Bank. If Murphy fails or refuses to fully cooperate with such transition, the Bank may immediately terminate Murphy, in which case it shall no longer have any obligation to pay any Salary or provide any benefits to him, but solely for purposes of Sections 8.5 and 8.6 below, the Termination Date shall be the date ninety (90) days after the date on which Murphy gives notice of termination to the Bank pursuant to the first sentence of this Section 7.5, or the later date referred to therein, whichever is later.

7.6 Pre-Termination Salary and Expenses. Without regard to the reason for, or the timing of, the termination or expiration of the Term: (a) the Bank shall pay Murphy any unpaid Salary due for the period prior to the Termination Date; and (b) following submission of proper expense reports by Murphy, the Bank shall reimburse Murphy for all expenses incurred prior to the Termination Date and subject to reimbursement pursuant to Section 5.9 hereof. These payments shall be made promptly upon termination and within the period of time mandated by law.

7.7 Severance if Termination by the Bank without Cause. Provided that Murphy signs and delivers to the Bank no later than twenty-one (21) days after the Termination Date a General Release and Waiver in the form attached to this Agreement as Exhibit A, and except as set forth below, if the Term is terminated by the Bank during the Term without Cause, the Bank shall, for a period of one (1) year following the Termination Date, (i) continue to pay Murphy, in the manner set forth below, Murphy's Salary at the rate being paid as of the Termination Date, and (ii) if Murphy timely elects to continue his health insurance benefits under COBRA, pay to the insurer Murphy's premiums for health insurance benefits continuation (for so long as Murphy remains qualified for such continuation under COBRA); provided, however, that Murphy shall not be entitled to any such payments if he is otherwise entitled to payments pursuant to Section 9.4 in relation to a Change in Control. Any payments due Murphy pursuant to this Section 7.7 shall be paid to Murphy in installments on the same schedule as Murphy was paid immediately prior to the Termination Date, each installment to be the same amount Murphy would have been paid under this Agreement if he had not been terminated. In the event Murphy breaches any provision of Article 8 of this Agreement, Murphy's entitlement to any payments payable pursuant to this Section 7.7, if and to the extent not yet paid, shall thereupon immediately cease and terminate as of the date of such breach, with Murphy having the obligation to repay to the Bank any payments that were paid to him and any payments for health insurance benefits continuation pursuant to this Section 7.7 with respect to the period after such breach occurred and before such breach became known to the Bank. Furthermore, if termination was initially not for Cause but the Bank thereafter determines in good faith that, during the Term, Murphy had engaged in conduct that would have constituted Cause, Murphy's entitlement to any payments pursuant to this Section 7.7 shall terminate retroactively to the Termination Date, with Murphy having the obligation to repay to the Bank all payments that were paid to him and any payments for health insurance benefits continuation pursuant to this Section 7.7, and, upon the return of all such payments, said General Release and Waiver shall be deemed rescinded and of no force or effect. Notwithstanding anything to the contrary in this Section 7.7, any payment pursuant to this Section shall be subject to (i) any delay in payment required by Section 10.3 hereof and (ii) any reduction required pursuant to Section 10.2 hereof.

7.8 Termination After Change in Control. Sections 9.2 and 9.3 set out provisions applicable to certain circumstances in which the Term may be terminated after Change in Control.

8. Confidentiality; Non-Competition; Non-Interference.

8.1 Confidential Information. Murphy, during employment, will have, and has had, access to and become familiar with various confidential and proprietary information of the Bank Entities and/or relating to the business of the Bank Entities ("Confidential Information"), including, but not limited to: business plans; operating results; financial statements and financial information; contracts; mailing lists; purchasing information; customer data (including lists, names and requirements); feasibility studies; personnel related information (including compensation, compensation plans, and staffing plans); internal working documents and communications; and other materials related to the businesses or activities of the Bank Entities which is made available only to employees with a need to know or which is not generally made available to the public. Failure to mark any Confidential Information as confidential, proprietary or protected information shall not affect its status as part of the Confidential Information subject to the terms of this Agreement.

8.2 Nondisclosure. Murphy hereby covenants and agrees that he shall not, directly or indirectly, disclose or use, or authorize any Person to disclose or use, any Confidential Information (whether or not any of the Confidential Information is novel or known by any other Person); provided however, that this restriction shall not apply to the use or disclosure of Confidential Information (i) to any governmental entity to the extent required by law, (ii) which is or becomes publicly known and available through no wrongful act of Murphy or any Affiliate of Murphy or (iii) in connection with the performance of Murphy's duties under this Agreement.

8.3 Nondisclosure of this Agreement. The terms, conditions and fact of this Agreement are strictly confidential. From and after the date of execution of this Agreement, Murphy agrees not to disclose, directly or indirectly, the existence of this Agreement or any of the terms and conditions herein to any Person except that Murphy may disclose the existence of this Agreement or the terms and conditions herein to Murphy's immediate family, tax, financial or legal advisers, prospective employers (with whom Murphy's employment is not prohibited by Section 8.5), any taxing authority, or as required by law. If Murphy is asked about the existence and/or terms and conditions of this Agreement, Murphy is permitted to state only that "the terms of my employment are a confidential matter that I am not able to disclose." Murphy acknowledges that the terms of this Section 8.3 are a material inducement for the Bank to enter into this Agreement. Notwithstanding the foregoing, Murphy may disclose such information regarding this Agreement as may be disclosed by the Bank Entities in any document filed with the Securities and Exchange Commission.

8.4 Documents. All files, papers, records, documents, compilations, summaries, lists, reports, notes, databases, tapes, sketches, drawings, memoranda, and similar items (collectively, "Documents"), whether prepared by Murphy, or otherwise provided to or coming into the possession of Murphy, that contain any proprietary information about or pertaining or relating to the Bank Entities (the "Bank Information") shall at all times remain the exclusive property of the Bank Entities. Promptly after a request by the Bank or the Termination Date, Murphy shall take reasonable efforts to (i) return to the Bank all Documents in any tangible form (whether originals, copies or reproductions) and all computer disks or other media containing or embodying any Document or Bank Information and (ii) purge and destroy all Documents and Bank Information in any intangible form (including computerized, digital or other electronic format) as may be requested in writing by the Chief Executive Officer of the Bank or Chairman of the Board of the Bank, and Murphy shall not retain in any form any such Document or any summary, compilation, synopsis or abstract of any Document or Bank Information.

8.5 Non-Competition. Murphy hereby acknowledges and agrees that, during the course of employment, Murphy has become, and will become, familiar with and involved in all aspects of the business and operations of the Bank Entities. Murphy hereby covenants and agrees that from the Commencement Date until the later to occur of (a) the date one (1) year after the Termination Date, or (b) the Expiration Date (the "Restricted Period"), Murphy will not at any time (except for the Bank Entities), directly or indirectly, in any capacity (whether as a proprietor, owner, agent, officer, director, shareholder, organizer, partner, principal, manager, member, employee, contractor, consultant or otherwise) provide any advice, assistance or services to any Competitive Business or to any Person that is attempting to form or acquire a Competitive Business if such Competitive Business operates, or is planning to operate, any office, branch or other facility (in any case, a "Branch") that is (or is proposed to be) located within a thirty-five (35) mile radius of the Bank's headquarters or any Branch of the Bank Entities. Notwithstanding any provision hereof to the contrary, this Section 8.5 does not restrict Murphy's right to (i) own securities of any Entity that files periodic reports with the Securities and Exchange Commission under

Section 13 or 15(d) of the Securities Exchange Act of 1934, as amended; provided that his total ownership constitutes less than two percent (2%) of the outstanding securities of such company.

8.6 Non-Interference. Murphy hereby covenants and agrees that during the Restricted Period, he will not, directly or indirectly, for himself or any other Person (whether as a proprietor, owner, agent, officer, director, shareholder, organizer, partner, principal, member, manager, employee, contractor, consultant or any other capacity):

(a) induce or attempt to induce any customer, supplier, officer, director, employee, contractor, consultant, agent or representative of, or any other Person that has a business relationship with any Bank Entity, to discontinue, terminate or reduce the extent of its, his or her relationship with any Bank Entity or to take any action that would disrupt or otherwise be disadvantageous to any such relationship;

(b) solicit any customer of any of the Bank Entities for the purpose of providing any Competitive Products or Services to such customer (other than any solicitation to the general public that is not disproportionately directed at customers of any Bank Entity); or

(c) solicit any employee of any of the Bank Entities to commence employment with, become a consultant or independent contractor to or otherwise provide services for the benefit of any other Competitive Business

In applying this Section 8.6:

(i) the term "customer" shall be deemed to include, at any time, any Person to which any of the Bank Entities had, during the six (6) month period immediately prior to such time, (A) sold any products or provided any services or (B) submitted, or been in the process of submitting or negotiating, a proposal for the sale of any product or the provision of any services;

(ii) the term "supplier" shall be deemed to include, at any time, any Person which, during the six (6) month period immediately prior to such time, (A) had sold any products or services to any of the Bank Entities or (B) had submitted to any of the Bank Entities a proposal for the sale of any products or services;

(iii) for purposes of clause (c), the term "employee" shall be deemed to include, at any time, any Person who was employed by any of the Bank Entities within the prior six (6) month period (thereby prohibiting Murphy from soliciting any Person who had been employed by any of the Bank Entities until six (6) months after the date on which such Person ceased to be so employed); and

(iv) If during the Restricted Period any employee of any of the Bank Entities accepts employment with or is otherwise retained by any Competitive Business of which Murphy is an owner, director, officer, manager, member, employee, partner or employee, or to which Murphy provides material services, it shall be presumed that such employee was hired in violation of the restriction set forth in clause (c) of this Section 8.6, with such presumption to be overcome only upon Murphy's showing by a preponderance of the evidence that he was not directly or indirectly involved in the hiring, soliciting or encouraging such employee to leave employment with the Bank Entities.

8.7 Injunction. In the event of any breach or threatened or attempted breach of any provision of this Article 8 by Murphy, the Bank shall, in addition to and not to the exclusion of any other rights and remedies at law or in equity, be entitled to seek and receive from any court of competent jurisdiction (i) full temporary and permanent injunctive relief enjoining and restraining Murphy and each and every other Person concerned therein from the continuation of such violative acts and (ii) a decree for specific performance of the applicable provisions of this Agreement, without being required to furnish any bond or other security.

8.8 Reasonableness.

8.8.1 Murphy has carefully read and considered the provisions of this Article 8 and, having done so, agrees that the restrictions and agreements set forth in this Article 8 are fair and reasonable and are reasonably required for the protection of the interests of the Bank Entities and their respective businesses, shareholders, directors, officers and employees. Murphy further agrees that the restrictions set forth in this Agreement will not impair or unreasonably restrain his ability to earn a livelihood.

8.8.2 If any court of competent jurisdiction should determine that the duration, geographical area or scope of any provision or restriction set forth in this Article 8 exceeds the maximum duration, geographic area or scope that is reasonable and enforceable under applicable law, the parties agree that said provision shall automatically be modified and shall be deemed to extend only over the maximum duration, geographical area and/or scope as to which such provision or restriction said court determines to be valid and enforceable under applicable law, which determination the parties direct the court to make, and the parties agree to be bound by such modified provision or restriction.

9. Change in Control.

9.1 Definition. "Change in Control" means and shall be deemed to have occurred if:

(a) there shall be consummated (i) any consolidation, merger, share exchange, or similar transaction relating to Bancorp, or pursuant to which shares of Bancorp's capital stock are converted into cash, securities of another Entity and/or other property, other than a transaction in which the holders of Bancorp'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, or (ii) any sale of all or substantially all of the assets of Bancorp, 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 U.S. Treasury Regulations;

(b) any person, entity or group (each within the meaning of Sections 13(d) and 14(d)(2) of the Securities Exchange Act of 1934, as amended (the "Exchange Act")) shall become the beneficial owner (within the meaning of Rules 13d-3 and 13d-5 under the Exchange Act), directly or indirectly, of securities of Bancorp representing more than fifty percent (50%) of the voting power of all outstanding securities of Bancorp entitled to vote generally in the election of directors of Bancorp (including, without limitation, any securities of Bancorp that any such Person has the right to acquire pursuant to any agreement, or upon exercise of conversion rights, warrants or options, or otherwise, which shall be deemed beneficially owned by such Person); or

(c) over a twelve (12) month period, a majority of the members of the Board of Directors of Bancorp are replaced by directors whose appointment or election was not endorsed by a majority of the members of the Board of Directors of Bancorp in office prior to such appointment or election.

Notwithstanding the foregoing, if the event purportedly constituting a Change in Control under Section 9.1(a), Section 9.1(b), or Section 9.1(c) does not also constitute a "change in ownership" of Bancorp, a "change in effective control" of Bancorp, or a "change in the ownership of a substantial portion of the assets" of Bancorp within the meaning of Section 409A, then such event shall not constitute a "Change in Control" hereunder.

9.2 Change in Control Termination. For purposes of this Agreement, a "Change in Control Termination" means that while this Agreement is in effect:

(a) Murphy's employment with the Bank is terminated without Cause (i) within one hundred twenty (120) days immediately prior to and in conjunction with a Change in Control or (ii) within twelve (12) months following consummation of a Change in Control; or

(b) Within twelve (12) months following consummation of a Change in Control, Murphy's title, duties and or position have been materially reduced such that Murphy is not in a comparable position (with materially comparable compensation, benefits and responsibilities and is located within twenty-five (25) miles of Murphy's primary worksite) to the position he held immediately prior to the Change in Control, and within thirty (30) days

after notification of such reduction he notifies the Bank that he is terminating his employment due to such change in his employment unless such change is cured within thirty (30) days of such notice by providing him with a comparable position (including materially comparable compensation and benefits and is located within twenty-five (25) miles of Murphy's primary worksite). If Murphy's employment is terminated under this Section, his last day of employment shall be mutually agreed to by Murphy and the Bank, but shall be not more than sixty (60) days after such notice is given by Murphy.

9.3 Window Period Resignation After Change in Control. If at the expiration of the twelve (12) month period following consummation of a Change in Control (the "Action Period"), Murphy's employment by the Bank has not been terminated, Murphy may, by giving written notice to the Bank within the thirty (30) day period immediately following the last day of the Action Period, elect to terminate the Term, in which event his last day of employment will be as mutually agreed to by the Bank and Murphy but which shall be not more than sixty (60) days after such notice is given by Murphy.

9.4 Change in Control Payment. If there is a Change in Control Termination pursuant to Section 9.2 or Murphy resigns after the Action Period pursuant to Section 9.3, Murphy shall be paid a lump-sum cash payment (the "Change Payment") equal to 2.99 times Murphy's Salary at the highest rate in effect during the twelve (12) month period immediately preceding his Termination Date, such Change Payment to be made to Murphy within forty-five (45) days after the later of (i) his Termination Date or (ii) the date of the Change in Control, the exact date of payment to be determined in the sole discretion of the Bank; provided, however, that the Bank shall be relieved of its obligation to pay the Change Payment if Murphy fails to sign and deliver to the Bank no later than twenty-one (21) days after the Termination Date a General Release and Waiver in the form attached to this Agreement as Exhibit A. Notwithstanding anything to the contrary in this Section 9.4, any payment pursuant to this Section shall be subject to (i) any delay in payment required by Section 10.3 hereof and (ii) any reduction required pursuant to Section 10.2 hereof, as applicable.

10. Compliance with Certain Restrictions.

10.1 Certain Defined Terms. For purposes of this Agreement, the following terms are defined as follows:

(a) "Additional 280G Payments" means any distributions in the nature of compensation by any Bank Entity to or for the benefit of Murphy (including, but not limited to, the value of acceleration in vesting in restricted stock, options or any other stock-based compensation), whether or not paid or payable or distributed or distributable pursuant to this Agreement, which is required to be taken into consideration in applying Section 280G(b)(2)(A) of the Code;

(b) "Applicable Severance" means Murphy's severance from employment by reason of involuntary termination by the Bank or in connection with any bankruptcy, liquidation or receivership of the Bank or any other entity that is treated as the same employer under EESA, in each case as determined under the regulations implementing Section 111(b) of EESA;

(c) Authorities Period" means the period under which the authorities of Section 101 of EESA are in effect, as determined pursuant to Section 120 thereof;

(d) "Determining Firm" means a reputable law or accounting firm selected by the Bank to make a determination pursuant to this Article 10;

(e) "EESA" means the Emergency Economic Stabilization Act of 2008, Public Law 110-343, as implemented by any guidance or regulations thereunder;

(f) "Incentive Compensation" means all bonus and other incentive-based compensation, as those terms are applied under EESA;

(g) "Parachute Payment" is defined as set forth in Section 280G(b)(2) of the Code, with amounts payable during the Authorities Period upon Applicable Severance being specifically included in applying such provision;

(h) "Total Change in Control Payments" means the total amount of the Change Payment together with all Additional 280G Payments that are required to be paid because of a Change in Control; and

(i) "Total Severance Payments" means the total amount of payments, including Additional 280G Payments, that are required to be paid to Murphy but that would not have been payable to him if no Applicable Severance had occurred.

10.2 Compliance with Section 280G.

(a) Notwithstanding anything in this Agreement to the contrary, if any amount becomes payable to Murphy because of an Applicable Severance and (ii) the Determining Firm determines that any portion of the Total Severance Payments would otherwise constitute a Parachute Payment, the amount payable to Murphy shall automatically be reduced by the smallest amount necessary so that no portion of the Total Severance Payments will be a Parachute Payment. If Total Severance Payments are to be paid in other than a lump sum, such reduction shall be applied in inverse order to the time at which the payments are scheduled to be made (e.g., the last scheduled payment will be the first such payment to be reduced). If, despite the foregoing sentence, a payment shall be made to Murphy that would constitute a Parachute Payment, Murphy shall have no right to retain such payment, and, immediately upon being informed of the impropriety of such payment, Murphy shall return such payment to the Bank or other Bank Entity that was the payer thereof, together with interest at the applicable federal rate determined pursuant to Section 1274(d) of the Code.

(b) Notwithstanding anything in this Agreement to the contrary, other than Section 10.2(a) above, if the Determining Firm determines that any portion of the Total Change in Control Payments would otherwise constitute a Parachute Payment, the amount payable to Murphy shall automatically be reduced by the smallest amount necessary so that no portion of the Total Change in Control Payments will be a Parachute Payment. If Total Change in Control Payments are to be paid in other than a lump sum, such reduction shall be applied in inverse order to the time at which the payments are scheduled to be made (e.g., the last scheduled payment will be the first such payment to be reduced). If, despite the foregoing sentence, a payment shall be made to Murphy that would constitute a Parachute Payment, Murphy shall have no right to retain such payment and, immediately upon being informed of the impropriety of such payment, Murphy shall return such payment to the Bank or other Bank Entity that was the payer thereof, together with interest at the applicable federal rate determined pursuant to Section 1274(d) of the Code.

10.3 Compliance with Section 409A.

(a) It is the intention of the parties hereto that this Agreement and the payments provided for hereunder shall not be subject to, or shall be in accordance with, Section 409A, and thus avoid the imposition of any tax and interest on Murphy pursuant to Section 409A(a)(1)(B) of the Code, and this Agreement shall be interpreted and construed consistent with this intent. Murphy acknowledges and agrees that he shall be solely responsible for the payment of any tax or penalty which may be imposed or to which he may become subject as a result of the payment of any amounts under this Agreement.

(b) Notwithstanding any provision of this Agreement to the contrary, if Murphy is a "specified employee" at the time of his "separation from service", any payment of "nonqualified deferred compensation" (in each case as determined pursuant to Section 409A) that is otherwise to be paid to Murphy within six (6) months following his separation from service, then to the extent that such payment would otherwise be subject to interest and additional tax under Section 409A(a)(1)(B) of the Code, such payment shall be delayed and shall be paid on the first business day of the seventh calendar month following Murphy's separation from service, or, if earlier, upon Murphy's death. Any deferral of payments pursuant to the foregoing sentence shall have no effect on any payments that are scheduled to be paid more than six (6) months after the date of separation from service.

(c) The parties hereto agree that they shall take such actions as may be necessary and permissible under applicable law, regulation and guidance to amend or revise this Agreement in order to ensure that Section 409A(a)(1)(B) does not impose additional tax and interest on payments made pursuant to this Agreement.

10.4 Clawback if Material Inaccuracy. If any Incentive Compensation that is paid to Murphy by the Bank or any other Bank Entity while the U.S. Treasury holds any equity securities in Bancorp is based on any materially inaccurate financial statement or other materially inaccurate performance metric criteria, as those terms are applied under EESA, Murphy shall be required to disgorge and pay over to the Bank or such other Bank Entity all such Incentive Compensation, together with interest at the applicable federal rate determined pursuant to Section 1274(d) of the Code.

11. Assignability. Murphy shall have no right to assign this Agreement or any of his rights or obligations hereunder to another party or parties. The Bank may assign this Agreement to any of its Affiliates or to any Person that acquires a substantial portion of the operating assets of the Bank. Upon any such assignment by the Bank, references in this Agreement to the Bank shall automatically be deemed to refer to such assignee instead of, or in addition to, the Bank, as appropriate in the context.

12. Governing Law; Venue. This Agreement shall be governed by and construed in accordance with the laws of the State of Maryland applicable to contracts executed and to be performed therein, without giving effect to the choice of law rules thereof. Any action to enforce any provision of this Agreement may be brought only in a court of the State of Maryland or in the United States District Court for the District of Maryland. Accordingly, each party (a) agrees to submit to the jurisdiction of such courts and to accept service of process at its address for notices and in the manner provided in Section 13 for the giving of notices in any such action or proceeding brought in any such court and (b) irrevocably waives any objection to the laying of venue of any such proceeding brought in such a court and any claim that any such proceeding brought in such a court has been brought in an inconvenient or inappropriate forum.

13. Notices. All notices, requests, demands and other communications required to be given or permitted to be given under this Agreement shall be in writing and shall be conclusively deemed to have been given as follows: (a) when hand delivered to the other party; (b) when received by facsimile at the facsimile number set forth below, provided, however, that any notice given by facsimile shall not be effective unless either (i) a duplicate copy of such facsimile notice is promptly given by depositing the same in a United States post office first-class postage prepaid and addressed to the applicable party as set forth below or (ii) the receiving party delivers a written confirmation of receipt for such notice either by facsimile or by any other method permitted under this Section; or (c) when deposited in a United States post office with first-class certified mail, return receipt requested, postage prepaid and addressed to the applicable party as set forth below; or (d) when deposited with a national overnight delivery service reasonably approved by the parties (Federal Express and DHL WorldWide Express being deemed approved by the parties), postage prepaid, addressed to the applicable party as set forth below with next-business-day delivery guaranteed; provided that the sending party receives a confirmation of delivery from the delivery service provider. Any notice given by facsimile shall be deemed received on the date on which notice is received except that if such notice is received after 5:00 p.m. (recipient's time) or on a non-business day, notice shall be deemed given the next business day). Any notice sent by Untied States mail shall be deemed given three (3) business days after the same has been deposited in the United States mail. Any notice given by national overnight delivery service shall be deemed given on the first business day following deposit with such delivery service. For purposes of this Agreement, the term "business day" shall mean any day other than a Saturday, Sunday or day that is a legal holiday in Montgomery County, Maryland. The address of a party set forth below may be changed by that party by written notice to the other from time to time pursuant to this Article.

To: Thomas D. Murphy

Fax No.

To: EagleBank
c/o Ronald D. Paul
7815 Woodmont Ave.
Bethesda, MD 20814
Fax No.: 301.986-8529

cc: Fred Sommer, Esquire
Shulman, Rogers, Gandal, Pordy & Ecker, P.A.
11921 Rockville Pike, 3rd Floor
Rockville, Maryland 20852
Fax No.: 301-230-2891

After August 1, 2009 to:

Fred Sommer, Esquire
Shulman, Rogers, Gandal, Pordy & Ecker, P.A.
12505 Park Potomac Avenue, Sixth Floor
Potomac, MD 20854
Fax No.:

14. Entire Agreement. This Agreement contains all of the agreements and understandings between the parties hereto with respect to the employment of Murphy by the Bank, and supersedes all prior agreements, arrangements and understandings related to the subject matter hereof. No oral agreements or written correspondence shall be held to affect the provisions hereof. No representation, promise, inducement or statement of intention has been made by either party that is not set forth in this Agreement, and neither party shall be bound by or liable for any alleged representation, promise, inducement or statement of intention not so set forth. Not in limitation of the foregoing, this Agreement supersedes and replaces the Original Agreement, except that Murphy shall remain entitled to receive any compensation earned but not yet paid thereunder.

15. Headings. The Article and Section headings contained in this Agreement are for reference purposes only and shall not in any way affect the meaning or interpretation of this Agreement.

16. Severability. Should any part of this Agreement for any reason be declared or held illegal, invalid or unenforceable, such determination shall not affect the legality, validity or enforceability of any remaining portion or provision of this Agreement, which remaining portions and provisions shall remain in force and effect as if this Agreement has been executed with the illegal, invalid or unenforceable portion thereof eliminated.

17. Amendment; Waiver. Neither this Agreement nor any provision hereof may be amended, modified, changed, waived, discharged or terminated except by an instrument in writing signed by the party against which enforcement of the amendment, modification, change, waiver, discharge or termination is sought. The failure of either party at any time or times to require performance of any provision hereof shall not in any manner affect the right at a later time to enforce the same. No waiver by either party of the breach of any term, provision or covenant contained in this Agreement, whether by conduct or otherwise, in any one or more instances, shall be deemed to be, or construed as, a further or continuing waiver of any such breach, or a waiver of the breach of any other term, provision or covenant contained in this Agreement.

18. Gender and Number. As used in this Agreement, the masculine, feminine and neuter gender, and the singular or plural number, shall each be deemed to include the other or others whenever the context so indicates.

19. Binding Effect. This Agreement is and shall be binding upon, and inures to the benefit of, the Bank, its successors and assigns, and Murphy and his heirs, executors, administrators, and personal and legal representatives.

[signatures on following page]

IN WITNESS WHEREOF, the parties have executed this Amended and Restated Employment Agreement as of the date first written above.

EAGLEBANK

By: _____
Name: Ronald D. Paul
Title: Chief Executive Officer

THOMAS D. MURPHY

_____

Attachment A

Form of
General Release and Waiver of All Claims

Thomas D. Murphy ("**you**") executes this General Release And Waiver of All Claims (the "**Release**") as a condition of receiving certain payments and other benefits in accordance with the terms of Section 7.7 of your Amended and Restated Employment Agreement dated , 2008. All capitalized terms used but not otherwise defined herein shall have the same meaning as in your Employment Agreement.

1. RELEASE.

You hereby release and forever discharge EagleBank and Eagle Bancorp, Inc. [*modify to specifically include any additional Affiliates*] and each and every one of their former or current subsidiaries, parents, affiliates, directors, officers, employees, agents, parents, affiliates, successors, predecessors, subsidiaries, assigns and attorneys (the "**Released Parties**") from any and all charges, claims, damages, injury and actions, in law or equity, which you or your heirs, successors, executors, or other representatives ever had, now have, or may in the future have by reason of any act, omission, matter, cause or thing through the date of your execution of this Release. You understand that this Release is a general release of all claims you may have against the Released Parties based on any act, omission, matter, case or thing through the date of your execution of this Release.

2. WAIVER.

You realize there are many laws and regulations governing the employment relationship. These include, but are not limited to, Title VII of the Civil Rights Acts of 1964 and 1991; the Age Discrimination in Employment Act of 1967; the Americans with Disabilities Act; the National Labor Relations Act; 42 U.S.C. § 1981; the Family and Medical Leave Act; the Employee Retirement Income Security Act of 1974 (other than any accrued benefit(s) to which you have a non-forfeitable right under any pension benefit plan); the Maryland Civil Rights Act, the Maryland Wage Payment and Collection Law, Maryland Occupational Safety and Health Act, the Maryland Collective Bargaining Law, and any other state, local and federal employment laws; and any amendments to any of the foregoing. You also understand there may be other statutes and laws of contract and tort that also relate to your employment. By signing this Release, you waive and release any rights you may have against the Released Parties under these and any other laws based on any act, omission, matter, cause or thing through the date of your execution of this Release. You also agree not to initiate, join, or voluntarily participate in any action or suit in any court or to accept any damages or other relief from any such proceeding brought by anyone else based on any act, omission, matter, cause or thing through the date of your execution of this Release.

3. NOTICE PERIOD.

This document is important. We advise you to review it carefully and consult an attorney before signing it, as well as any other professional whose advice you value, such as an accountant or financial advisor. If you agree to the terms of this Release, sign in the space indicated below for your signature. You will have twenty-one (21) calendar days from the date you receive this document to consider whether to sign this Release. If you choose to sign the Release before the end of that twenty-one day period, you certify that you did so voluntarily for your own benefit and not because of any coercion.

4. RETURN OF PROPERTY.

You certify that you have fully complied with Section 8.4 of your Employment Agreement.

5. REVOCATION.

You should also understand that even after you have signed this Release, you still have seven (7) days to revoke it. To revoke your acceptance of this Release, the Chairman of the Bank's Board of Directors must receive written notice before the end of the seven (7)-day period. In the event you revoke or do not accept this Release, you will not be entitled to any of the payments or benefits that you would have been entitled to under your Employment Agreement by virtue of executing this Release. If you do not revoke this Release within seven (7) days after you sign it, it will be final, binding, and irrevocable.

IN WITNESS WHEREOF, the Parties have knowingly and voluntarily executed this Release, as of the day and year first set forth below.

Thomas D. Murphy	**Date**
EagleBank	**Date**

Exhibit 10.7

AMENDED AND RESTATED
EMPLOYMENT AGREEMENT

THIS AMENDED AND RESTATED EMPLOYMENT AGREEMENT ("Agreement") is made and entered into as of the 2nd day of December, 2008, by and between EagleBank, a Maryland chartered commercial bank (the "Bank"), and Susan G. Riel ("Riel").

RECITALS:

WHEREAS, the Bank and Riel are parties to an Employment Agreement dated January 1, 2007 (the "Original Agreement"), pursuant to which Riel serves as Executive Vice President and Chief Operating Officer of the Bank; and

WHEREAS, the parties believe that amendment of the Original Agreement is appropriate in order to ensure that Section 409A(a)(1)(B) of the Internal Revenue Code does not impose additional tax and interest on payments to Riel; and

WHEREAS, the parties believe that amendment of the Original Agreement is appropriate in order to ensure that the provisions thereof do not impede the ability of the Bank and its affiliates to receive funds from the U.S. Department of Treasury pursuant to the Troubled Assets Relief Plan Capital Purchase Program; and

WHEREAS, to accomplish the foregoing, the parties desire to hereby enter into this Agreement to supersede and replace the Original Agreement.

NOW, THEREFORE, in consideration of the premises and the mutual covenants and agreements set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound hereby, the parties hereto agree as follows:

1. Employment. The Bank agrees to employ Riel, and Riel agrees to be employed as Executive Vice President and Chief Operating Officer of the Bank, subject to the terms and provisions of this Agreement.

2. Certain Definitions. As used in this Agreement, the following terms have the meanings set forth below:

2.1 "Affiliate" means, with respect to any Person, (i) any Person directly or indirectly controlling, controlled by or under common control with such Person, (ii) any Person owning or controlling fifty percent (50%) or more of the outstanding voting interests of such Person, (iii) any officer, director, general partner, managing member, or trustee of, or Person serving in a similar capacity with respect to, such Person, or (iv) any Person who is an officer, director, general partner, member, trustee, or holder of fifty percent (50%) or more of the voting interests of any Person described in clauses (i), (ii), or (iii) of this sentence. For purposes of this definition, the terms "controlling," "controlled by," or "under common control with" shall mean the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities, by contract or otherwise.

2.2 "Bancorp" means Eagle Bancorp, Inc., a Maryland corporation.

2.3 "Bank" is defined in the Recitals. If the Bank is merged into any other Entity, or transfers substantially all of its business operations or assets to another Entity, the term "Bank" shall be deemed to include such successor Entity for purposes of applying Article 8 of this Agreement.

2.4 "Bank Entities" means and includes any of the Bank, Bancorp and their Affiliates.

2.5 "Bank Regulatory Agency" means any governmental authority, regulatory agency, ministry, department, statutory corporation, central bank or other body of the United States or of any other country or of any state or other political subdivision of any of them having jurisdiction over the Bank or any transaction contemplated, undertaken or proposed to be undertaken by the Bank, including, but not necessarily be limited to:

(a) the Federal Deposit Insurance Corporation or any other federal or state depository insurance organization or fund;

(b) the Federal Reserve System, the Maryland Division of Financial Institutions, or any other federal or state bank regulatory or commissioner's office;

(c) any Person established, organized, owned (in whole or in part) or controlled by any of the foregoing; and

(d) any predecessor, successor or assignee of any of the foregoing.

2.6 "Board" means the Board of Directors of the Bank.

2.7 "Code" means the Internal Revenue Code of 1986, as amended.

2.8 "Competitive Business" means the banking and financial services business, which includes, without limitation, consumer savings, commercial banking, the insurance and trust business, the savings and loan business and mortgage lending, or any other business in which any of the Bank Entities is engaged or has invested significant resources within the prior six (6) month period in preparation for becoming actively engaged.

2.9 "Competitive Products or Services" means, as of any time, those products or services of the type that any of the Bank Entities is providing, or is actively preparing to provide, to its customers.

2.10 "Disability" means a mental or physical condition which, in the good faith opinion of the Board, renders Riel, with reasonable accommodation, unable or incompetent to carry out the material job responsibilities which Riel held or the material duties to which Riel was assigned at the time the disability was incurred, which has existed for at least three (3) months and which in the opinion of a physician mutually agreed upon by the Bank and Riel (*provided* that neither party shall unreasonably withhold such agreement) is expected to be permanent or to last for an indefinite duration or a duration in excess of nine (9) months.

2.11 "Expiration Date" means August 31, 2011.

2.12 "Person" means any individual or Entity.

2.13 "Section 409A" means Section 409A of the Code and the regulations and administrative guidance promulgated thereunder.

2.14 "Termination Date" means the Expiration Date or such earlier date on which the Term expires pursuant to Section 3.1 or is terminated pursuant to Section 7.2, 7.3, 7.4, or 7.5, as applicable.

Other terms are defined throughout this Agreement and have the meanings so given them.

3. Term; Position.

3.1 Term. Riel's employment hereunder shall continue until the Expiration Date, unless extended in writing by both the Bank and Riel or sooner terminated in accordance with the provisions of this Agreement (the "Term").

3.2 Position. The Bank shall employ Riel to serve as Executive Vice President and Chief Operating Officer of the Bank.

3.3 No Restrictions. Riel represents and warrants to the Bank that Riel is not subject to any legal obligations or restrictions that would prevent or limit her entering into this Agreement and performing her responsibilities hereunder.

4. Duties of Riel.

4.1 Nature and Substance. Riel shall report directly to and shall be under the direction the Chief Executive Officer. The specific powers and duties of Riel shall be established, determined and modified by and within the discretion of the Board.

4.2 Performance of Services. Riel agrees to devote her full business time and attention to the performance of her duties and responsibilities under this Agreement, and shall use her best efforts and discharge her duties to the best of her ability for and on behalf of the Bank and toward its successful operation. Riel agrees that, without the prior written consent of the Board, she will not during the Term, directly or indirectly, perform services for or obtain a financial or ownership interest in any other Entity (an "Outside Arrangement") if such Outside Arrangement would interfere with the satisfactory performance of her duties to the Bank, present a conflict of interest with the Bank and/or Bancorp, breach her duty of loyalty or fiduciary duties to the Bank and/or Bancorp, or otherwise conflict with the provisions of this Agreement. Riel shall promptly notify the Board of any Outside Arrangement, provide the Bank with any written agreement in connection therewith and respond fully and promptly to any questions that the Board may ask with respect to any Outside Arrangement. If the Board determines that Riel's participation in an Outside Arrangement would interfere with her satisfactory performance of her duties to the Bank, present a conflict of interest with the Bank and/or Bancorp, breach her duty of loyalty or fiduciary duties to the Bank and/or Bancorp, or otherwise conflict with the provisions of this Agreement, Riel shall not undertake, or shall cease, such Outside Arrangement as soon as feasible after the Board notifies her of such determination. Notwithstanding any provision hereof to the contrary, this Section 4.2 does not restrict Riel's right to own securities of any Entity that files periodic reports with the Securities and Exchange Commission under Section 13 or 15(d) of the Securities Exchange Act of 1934, as amended; provided that her total ownership constitutes less than two percent (2%) of the outstanding securities of such company.

4.3 Compliance with Law. Riel shall comply with all laws, statutes, ordinances, rules and regulations relating to her employment and duties.

5. Compensation; Benefits. As full compensation for all services rendered pursuant to this Agreement and the covenants contained herein, the Bank shall pay to Riel the following:

5.1 Salary. Through the end of the Term, Riel shall be paid a salary ("Salary") of Two Hundred Forty-three Thousand One Hundred One Dollars ($243,101) on an annualized basis. The Bank shall pay Riel's Salary in equal installments in accordance with the Bank's regular payroll periods as may be set by the Bank from time to time. Riel's Salary may be further increased from time to time, at the discretion of the Board. Riel may also be entitled to certain incentive bonus payments as determined by Board approved incentive plans.

5.2 Withholding. Payments of Salary shall be subject to the customary withholding of income and other employment taxes as is required with respect to compensation paid by an employer to an employee.

5.3 Vacation and Leave. Riel shall be entitled to such vacation and leave as may be provided for under the current and future leave and vacation policies of the Bank for executive officers.

5.4 Office Space. The Bank will provide customary office space and office support to Riel.

5.5 Parking. Paid parking at Riel's regular worksite will be provided by the Bank at its expense.

5.6 Car Allowance. The Bank will pay Riel a monthly car allowance of Seven Hundred Fifty Dollars ($750.00).

5.7 Non-Life Insurance. The Bank will provide Riel with group health, disability and other insurance as the Bank may determine appropriate for all employees of the Bank.

5.8 Life Insurance.

5.8.1 Riel may obtain a term life insurance policy (the "Policy") on Riel in the amount of Seven

Hundred Fifty Thousand Dollars ($750,000.00), the particular product and carrier to be chosen by Riel in her discretion. Riel shall have the right to designate the beneficiary of the Policy. If the Policy is obtained, Riel shall provide the Bank with a copy of the Policy, and the Bank will pay, during the Term of this Agreement, the premiums for the Policy upon submission by Riel to the Bank of the invoices therefor. In the event Riel is rated and the premium exceeds the standard rate for a Seven Hundred Fifty Thousand Dollar ($750,000.00) policy, the Policy amount shall be lowered to the maximum amount that can be purchased at the standard rate for a Seven Hundred Fifty Thousand Dollar ($750,000.00) policy. For example, if Riel is rated and the standard rate for a Seven Hundred Fifty Thousand Dollar ($750,000.00) policy would acquire a Five Hundred Thousand Dollar ($500,000.00) policy, the Bank would only be required to pay the premium for a Five Hundred Thousand Dollar ($500,000.00) policy. If a Policy is obtained and it is cancelled or terminated, Riel shall immediately notify the Bank of such cancellation or termination.

5.8.2 The Bank may, at its cost, obtain and maintain "key-man" life insurance and/or Bank-owned life insurance on Riel in such amount as determined by the Board from time to time. Riel agrees to cooperate fully and to take all actions reasonably required by the Bank in connection with such insurance.

5.9 Expenses. The Bank shall, promptly upon presentation of proper expense reports therefor, pay or reimburse Riel, in accordance with the policies and procedures established from time to time by the Bank for its officers, for all reasonable and customary travel (other than local use of an automobile for which Riel is being provided the car allowance) and other out-of-pocket expenses incurred by Riel in the performance of her duties and responsibilities under this Agreement and promoting the business of the Bank, including approved membership fees, dues and the cost of attending business related seminars, meetings and conventions.

5.10 Retirement Plans. Riel shall be entitled to participate in any and all qualified pension or other retirement plans of the Bank which may be applicable to personnel of the Bank.

5.11 Other Benefits. While this Agreement is in effect, Riel shall be entitled to all other benefits that the Bank provides from time to time to its officers.

5.12 Eligibility. Participation in any health, life, accident, disability, medical expense or similar insurance plan or any qualified pension or other retirement plan shall be subject to the terms and conditions contained in such plan. All matters of eligibility for benefits under any insurance plans shall be determined in accordance with the provisions of the applicable insurance policy issued by the applicable insurance company.

5.13 Equity Compensation. Riel shall be eligible to receive awards of options, SARs and /or Restricted Stock under the 2006 Stock Plan of Bancorp, from time to time, at the discretion of the 2006 Plan Committee or Compensation Committee of the Board of Directors of Bancorp.

6. Conditions Subsequent to Continued Operation and Effect of Agreement.

6.1 Continued Approval by Bank Regulatory Agencies. This Agreement and all of its terms and conditions, and the continued operation and effect of this Agreement and the Bank's continuing obligations hereunder, shall at all times be subject to the continuing approval of any and all Bank Regulatory Agencies whose approval is a necessary prerequisite to the continued operation of the Bank. Should any term or condition of this Agreement, upon review by any Bank Regulatory Agency, be found to violate or not be in compliance with any then-applicable statute or any rule, regulation, order or understanding promulgated by any Bank Regulatory Agency, or should any term or condition required to be included herein by any such Bank Regulatory Agency be absent, this Agreement may be rescinded and terminated by the Bank if the parties hereto cannot in good faith agree upon such additions, deletions or modifications as may be deemed necessary or appropriate to bring this Agreement into compliance.

7. Termination of Agreement. Prior to the Expiration Date, the Term of this Agreement may be terminated as provided below in this Article 7.

7.1 Definition of Cause. For purposes of this Agreement, "Cause" means:

(a) any act of theft, fraud, intentional misrepresentation, personal dishonesty or breach of fiduciary duty involving personal gain or similar conduct by Riel with respect to the Bank Entities or the services to be rendered by her under this Agreement;

(b) any failure of this Agreement to comply with any Bank Regulatory Agency requirement which is not cured in accordance with Section 6.1 within a reasonable period of time after written notice thereof;

(c) any Bank Regulatory Agency action or proceeding against Riel as a result of her negligence, fraud, malfeasance or misconduct;

(d) indictment of Riel, or Riel's conviction or plea of *nolo contendere* at the trial court level, of a felony, or any crime of moral turpitude, or involving dishonesty, deception or breach of trust;

(e) any of the following conduct on the part of Riel that Riel has not corrected or cured within thirty (30) days after having received written notice from the Bank detailing and describing such conduct (provided, however, that the Bank shall not be required to provide Riel with notice and opportunity to cure more than two (2) times in any twelve (12) month period):

(i) habitual absenteeism, or the failure by or the inability of Riel to devote full time attention and energy to the performance of Riel's duties pursuant to this Agreement (other than by reason of her death or Disability);

(ii) intentional material failure by Riel to carry out the explicit lawful and reasonable directions, instructions, policies, rules, regulations or decisions of the Board which are consistent with her position;

(iii) willful or intentional misconduct on the part of Riel that results, or that the Board in good faith determines may result, in substantial injury to the Bank or any of its Affiliates; or

(iv) any action (including any failure to act) or conduct by Riel in violation of a material provision of this Agreement (including but not limited to the provisions of Article 8 hereof, which shall be deemed to be material); or

(f) the use of drugs, alcohol or other substances by Riel to an extent which materially interferes with or prevents Riel from performing her duties under this Agreement;

(g) the determination by the Board, in the exercise of its reasonable judgment and in good faith, that Riel's job performance is substantially unsatisfactory and that she has failed to cure such performance within a reasonable period (but in no event more than thirty (30) days) after written notice specifying in reasonable detail the nature of the unsatisfactory performance; or

(h) Riel's commission of unethical business practices, acts of moral turpitude, financial impropriety, fraud or dishonesty in any material matter which the Board in good faith determines could adversely affect the reputation, standing or financial prospects of the Bank or its Affiliates.

7.2 Termination by the Bank for Cause. After the occurrence of any of the conditions specified in Section 7.1, the Bank shall have the right to terminate the Term for Cause immediately on written notice to Riel.

7.3 Termination by the Bank without Cause. The Bank shall have the right to terminate the Term at any time on written notice without Cause, for any or no reason, such termination to be effective on the date on which the Bank gives such notice to Riel or such later date as may be specified in such notice.

7.4 Termination for Death or Disability. The Term shall automatically terminate upon the death of Riel or upon the Board's determination that Riel is suffering from a Disability.

7.5 Termination by Riel. Riel shall have the right to terminate the Term at any time, such termination to be effective on the date ninety (90) days after the date on which Riel gives such notice to the Bank unless Riel and the Bank agree in writing to a later date on which such termination is to be effective. After receiving notice of termination, the Bank may require Riel to devote her good faith energies to transitioning her duties to her successor and to otherwise helping to minimize the adverse impact of her resignation upon the operations of the Bank. If Riel fails or refuses to fully cooperate with such transition, the Bank may immediately terminate Riel, in which case it shall no longer have any obligation to pay any Salary or provide any benefits to her, but solely for purposes of Sections 8.5 and 8.6 below, the Termination Date shall be the date ninety (90) days after the date on which Riel gives notice of termination to the Bank pursuant to the first sentence of this Section 7.5, or the later date referred to therein, whichever is later.

7.6 Pre-Termination Salary and Expenses. Without regard to the reason for, or the timing of, the termination or expiration of the Term: (a) the Bank shall pay Riel any unpaid Salary due for the period prior to the Termination Date; and (b) following submission of proper expense reports by Riel, the Bank shall reimburse Riel for all expenses incurred prior to the Termination Date and subject to reimbursement pursuant to Section 5.9 hereof. These payments shall be made promptly upon termination and within the period of time mandated by law.

7.7 Severance if Termination by the Bank without Cause. Provided that Riel signs and delivers to the Bank no later than twenty-one (21) days after the Termination Date a General Release and Waiver in the form attached to this Agreement as Exhibit A, and except as set forth below, if the Term is terminated by the Bank during the Term without Cause, the Bank shall, for a period of one (1) year following the Termination Date, (i) continue to pay Riel, in the manner set forth below, Riel's Salary at the rate being paid as of the Termination Date, and (ii) if Riel timely elects to continue her health insurance benefits under COBRA, pay to the insurer Riel's premiums for health insurance benefits continuation (for so long as Riel remains qualified for such continuation under COBRA); provided, however, that Riel shall not be entitled to any such payments if she is otherwise entitled to payments pursuant to Section 9.4 in relation to a Change in Control. Any payments due Riel pursuant to this Section 7.7 shall be paid to Riel in installments on the same schedule as Riel was paid immediately prior to the Termination Date, each installment to be the same amount Riel would have been paid under this Agreement if she had not been terminated. In the event Riel breaches any provision of Article 8 of this Agreement, Riel's entitlement to any payments payable pursuant to this Section 7.7, if and to the extent not yet paid, shall thereupon immediately cease and terminate as of the date of such breach, with Riel having the obligation to repay to the Bank any payments that were paid to her and any payments for health insurance benefits continuation pursuant to this Section 7.7 with respect to the period after such breach occurred and before such breach became known to the Bank. Furthermore, if termination was initially not for Cause but the Bank thereafter determines in good faith that, during the Term, Riel had engaged in conduct that would have constituted Cause, Riel's entitlement to any payments pursuant to this Section 7.7 shall terminate retroactively to the Termination Date, with Riel having the obligation to repay to the Bank all payments that were paid to her and any payments for health insurance benefits continuation pursuant to this Section 7.7, and, upon the return of all such payments, said General Release and Waiver shall be deemed rescinded and of no force or effect. Notwithstanding anything to the contrary in this Section 7.7, any payment pursuant to this Section shall be subject to (i) any delay in payment required by Section 10.3 hereof and (ii) any reduction required pursuant to Section 10.2 hereof.

7.8 Termination After Change in Control. Sections 9.2 and 9.3 set out provisions applicable to certain circumstances in which the Term may be terminated after Change in Control.

8. Confidentiality; Non-Competition; Non-Interference.

8.1 Confidential Information. Riel, during employment, will have, and has had, access to and become familiar with various confidential and proprietary information of the Bank Entities and/or relating to the business of the Bank Entities ("Confidential Information"), including, but not limited to: business plans; operating results; financial statements and financial information; contracts; mailing lists; purchasing information; customer data (including lists, names and requirements); feasibility studies; personnel related information (including compensation, compensation plans, and staffing plans); internal working documents and communications; and other materials related to the businesses or activities of the Bank Entities which is made available only to employees with a need to know or which is not generally made available to the public. Failure to mark any Confidential Information as confidential, proprietary or protected information shall not affect its status as part of the Confidential Information subject to the terms of this Agreement.

8.2 Nondisclosure. Riel hereby covenants and agrees that she shall not, directly or indirectly, disclose or use, or authorize any Person to disclose or use, any Confidential Information (whether or not any of the Confidential Information is novel or known by any other Person); provided however, that this restriction shall not apply to the use or disclosure of Confidential Information (i) to any governmental entity to the extent required by law, (ii) which is or becomes publicly known and available through no wrongful act of Riel or any Affiliate of Riel or (iii) in connection with the performance of Riel's duties under this Agreement.

8.3 Nondisclosure of this Agreement. The terms, conditions and fact of this Agreement are strictly confidential. From and after the date of execution of this Agreement, Riel agrees not to disclose, directly or indirectly, the existence of this Agreement or any of the terms and conditions herein to any Person except that Riel may disclose the existence of this Agreement or the terms and conditions herein to Riel's immediate family, tax, financial or legal advisers, prospective employers (with whom Riel's employment is not prohibited by Section 8.5), any taxing authority, or as required by law. If Riel is asked about the existence and/or terms and conditions of this Agreement, Riel is permitted to state only that "the terms of my employment are a confidential matter that I am not able to disclose." Riel acknowledges that the terms of this Section 8.3 are a material inducement for the Bank to enter into this Agreement. Notwithstanding the foregoing, Riel may disclose such information regarding this Agreement as may be disclosed by the Bank Entities in any document filed with the Securities and Exchange Commission.

8.4 Documents. All files, papers, records, documents, compilations, summaries, lists, reports, notes, databases, tapes, sketches, drawings, memoranda, and similar items (collectively, "Documents"), whether prepared by Riel, or otherwise provided to or coming into the possession of Riel, that contain any proprietary information about or pertaining or relating to the Bank Entities (the "Bank Information") shall at all times remain the exclusive property of the Bank Entities. Promptly after a request by the Bank or the Termination Date, Riel shall take reasonable efforts to (i) return to the Bank all Documents in any tangible form (whether originals, copies or reproductions) and all computer disks or other media containing or embodying any Document or Bank Information and (ii) purge and destroy all Documents and Bank Information in any intangible form (including computerized, digital or other electronic format) as may be requested in writing by the Chief Executive Officer of the Bank or Chairman of the Board of the Bank, and Riel shall not retain in any form any such Document or any summary, compilation, synopsis or abstract of any Document or Bank Information.

8.5 Non-Competition. Riel hereby acknowledges and agrees that, during the course of employment, Riel has become, and will become, familiar with and involved in all aspects of the business and operations of the Bank Entities. Riel hereby covenants and agrees that from the Commencement Date until the later to occur of (a) the date one (1) year after the Termination Date, or (b) the Expiration Date (the "Restricted Period"), Riel will not at any time (except for the Bank Entities), directly or indirectly, in any capacity (whether as a proprietor, owner, agent, officer, director, shareholder, organizer, partner, principal, manager, member, employee, contractor, consultant or otherwise) provide any advice, assistance or services to any Competitive Business or to any Person that is attempting to form or acquire a Competitive Business if such Competitive Business operates, or is planning to operate, any office, branch or other facility (in any case, a "Branch") that is (or is proposed to be) located within a thirty-five (35) mile radius of the Bank's headquarters or any Branch of the Bank Entities. Notwithstanding any provision hereof to the contrary, this Section 8.5 does not restrict Riel's right to (i) own securities of any Entity that files periodic reports with the Securities and Exchange Commission under Section 13 or 15(d) of the Securities

Exchange Act of 1934, as amended; provided that her total ownership constitutes less than two percent (2%) of the outstanding securities of such company.

8.6 Non-Interference. Riel hereby covenants and agrees that during the Restricted Period, she will not, directly or indirectly, for himself or any other Person (whether as a proprietor, owner, agent, officer, director, shareholder, organizer, partner, principal, member, manager, employee, contractor, consultant or any other capacity):

(a) induce or attempt to induce any customer, supplier, officer, director, employee, contractor, consultant, agent or representative of, or any other Person that has a business relationship with any Bank Entity, to discontinue, terminate or reduce the extent of its, her or her relationship with any Bank Entity or to take any action that would disrupt or otherwise be disadvantageous to any such relationship;

(b) solicit any customer of any of the Bank Entities for the purpose of providing any Competitive Products or Services to such customer (other than any solicitation to the general public that is not disproportionately directed at customers of any Bank Entity); or

(c) solicit any employee of any of the Bank Entities to commence employment with, become a consultant or independent contractor to or otherwise provide services for the benefit of any other Competitive Business

In applying this Section 8.6:

(i) the term "customer" shall be deemed to include, at any time, any Person to which any of the Bank Entities had, during the six (6) month period immediately prior to such time, (A) sold any products or provided any services or (B) submitted, or been in the process of submitting or negotiating, a proposal for the sale of any product or the provision of any services;

(ii) the term "supplier" shall be deemed to include, at any time, any Person which, during the six (6) month period immediately prior to such time, (A) had sold any products or services to any of the Bank Entities or (B) had submitted to any of the Bank Entities a proposal for the sale of any products or services;

(iii) for purposes of clause (c), the term "employee" shall be deemed to include, at any time, any Person who was employed by any of the Bank Entities within the prior six (6) month period (thereby prohibiting Riel from soliciting any Person who had been employed by any of the Bank Entities until six (6) months after the date on which such Person ceased to be so employed); and

(iv) If during the Restricted Period any employee of any of the Bank Entities accepts employment with or is otherwise retained by any Competitive Business of which Riel is an owner, director, officer, manager, member, employee, partner or employee, or to which Riel provides material services, it shall be presumed that such employee was hired in violation of the restriction set forth in clause (c) of this Section 8.6, with such presumption to be overcome only upon Riel's showing by a preponderance of the evidence that she was not directly or indirectly involved in the hiring, soliciting or encouraging such employee to leave employment with the Bank Entities.

8.7 Injunction. In the event of any breach or threatened or attempted breach of any provision of this Article 8 by Riel, the Bank shall, in addition to and not to the exclusion of any other rights and remedies at law or in equity, be entitled to seek and receive from any court of competent jurisdiction (i) full temporary and permanent injunctive relief enjoining and restraining Riel and each and every other Person concerned therein from the continuation of such violative acts and (ii) a decree for specific performance of the applicable provisions of this Agreement, without being required to furnish any bond or other security.

8.8 Reasonableness.

8.8.1 Riel has carefully read and considered the provisions of this Article 8 and, having done so, agrees that the restrictions and agreements set forth in this Article 8 are fair and reasonable and are reasonably required for the protection of the interests of the Bank Entities and their respective businesses, shareholders, directors, officers and employees. Riel further agrees that the restrictions set forth in this Agreement will not impair or unreasonably restrain her ability to earn a livelihood.

8.8.2 If any court of competent jurisdiction should determine that the duration, geographical area or scope of any provision or restriction set forth in this Article 8 exceeds the maximum duration, geographic area or scope that is reasonable and enforceable under applicable law, the parties agree that said provision shall automatically be modified and shall be deemed to extend only over the maximum duration, geographical area and/or scope as to which such provision or restriction said court determines to be valid and enforceable under applicable law, which determination the parties direct the court to make, and the parties agree to be bound by such modified provision or restriction.

9. Change in Control.

9.1 Definition. "Change in Control" means and shall be deemed to have occurred if:

(a) there shall be consummated (i) any consolidation, merger, share exchange, or similar transaction relating to Bancorp, or pursuant to which shares of Bancorp's capital stock are converted into cash, securities of another Entity and/or other property, other than a transaction in which the holders of Bancorp'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, or (ii) any sale of all or substantially all of the assets of Bancorp, 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 U.S. Treasury Regulations;

(b) any person, entity or group (each within the meaning of Sections 13(d) and 14(d)(2) of the Securities Exchange Act of 1934, as amended (the "Exchange Act")) shall become the beneficial owner (within the meaning of Rules 13d-3 and 13d-5 under the Exchange Act), directly or indirectly, of securities of Bancorp representing more than fifty percent (50%) of the voting power of all outstanding securities of Bancorp entitled to vote generally in the election of directors of Bancorp (including, without limitation, any securities of Bancorp that any such Person has the right to acquire pursuant to any agreement, or upon exercise of conversion rights, warrants or options, or otherwise, which shall be deemed beneficially owned by such Person); or

(c) over a twelve (12) month period, a majority of the members of the Board of Directors of Bancorp are replaced by directors whose appointment or election was not endorsed by a majority of the members of the Board of Directors of Bancorp in office prior to such appointment or election.

Notwithstanding the foregoing, if the event purportedly constituting a Change in Control under Section 9.1(a), Section 9.1(b), or Section 9.1(c) does not also constitute a "change in ownership" of Bancorp, a "change in effective control" of Bancorp, or a "change in the ownership of a substantial portion of the assets" of Bancorp within the meaning of Section 409A, then such event shall not constitute a "Change in Control" hereunder.

9.2 Change in Control Termination. For purposes of this Agreement, a "Change in Control Termination" means that while this Agreement is in effect:

(a) Riel's employment with the Bank is terminated without Cause (i) within one hundred twenty (120) days immediately prior to and in conjunction with a Change in Control or (ii) within twelve (12) months following consummation of a Change in Control; or

(b) Within twelve (12) months following consummation of a Change in Control, Riel's title, duties and or position have been materially reduced such that Riel is not in a comparable position (with materially comparable compensation, benefits and responsibilities and is located within twenty-five (25) miles of Riel's primary worksite) to the position she held immediately prior to the Change in Control, and within thirty (30) days

after notification of such reduction she notifies the Bank that she is terminating her employment due to such change in her employment unless such change is cured within thirty (30) days of such notice by providing her with a comparable position (including materially comparable compensation and benefits and is located within twenty-five (25) miles of Riel's primary worksite). If Riel's employment is terminated under this Section, her last day of employment shall be mutually agreed to by Riel and the Bank, but shall be not more than sixty (60) days after such notice is given by Riel.

9.3 Window Period Resignation After Change in Control. If at the expiration of the twelve (12) month period following consummation of a Change in Control (the "Action Period"), Riel's employment by the Bank has not been terminated, Riel may, by giving written notice to the Bank within the thirty (30) day period immediately following the last day of the Action Period, elect to terminate the Term, in which event her last day of employment will be as mutually agreed to by the Bank and Riel but which shall be not more than sixty (60) days after such notice is given by Riel.

9.4 Change in Control Payment. If there is a Change in Control Termination pursuant to Section 9.2 or Riel resigns after the Action Period pursuant to Section 9.3, Riel shall be paid a lump-sum cash payment (the "Change Payment") equal to 2.99 times Riel's Salary at the highest rate in effect during the twelve (12) month period immediately preceding her Termination Date, such Change Payment to be made to Riel within forty-five (45) days after the later of (i) her Termination Date or (ii) the date of the Change in Control, the exact date of payment to be determined in the sole discretion of the Bank; provided, however, that the Bank shall be relieved of its obligation to pay the Change Payment if Riel fails to sign and deliver to the Bank no later than twenty-one (21) days after the Termination Date a General Release and Waiver in the form attached to this Agreement as Exhibit A. Notwithstanding anything to the contrary in this Section 9.4, any payment pursuant to this Section shall be subject to (i) any delay in payment required by Section 10.3 hereof and (ii) any reduction required pursuant to Section 10.2 hereof, as applicable.

10. Compliance with Certain Restrictions.

10.1 Certain Defined Terms. For purposes of this Agreement, the following terms are defined as follows:

(a) "Additional 280G Payments" means any distributions in the nature of compensation by any Bank Entity to or for the benefit of Riel (including, but not limited to, the value of acceleration in vesting in restricted stock, options or any other stock-based compensation), whether or not paid or payable or distributed or distributable pursuant to this Agreement, which is required to be taken into consideration in applying Section 280G(b)(2)(A) of the Code;

(b) "Applicable Severance" means Riel's severance from employment by reason of involuntary termination by the Bank or in connection with any bankruptcy, liquidation or receivership of the Bank or any other entity that is treated as the same employer under EESA, in each case as determined under the regulations implementing Section 111(b) of EESA;

(c) Authorities Period" means the period under which the authorities of Section 101 of EESA are in effect, as determined pursuant to Section 120 thereof;

(d) "Determining Firm" means a reputable law or accounting firm selected by the Bank to make a determination pursuant to this Article 10;

(e) "EESA" means the Emergency Economic Stabilization Act of 2008, Public Law 110-343, as implemented by any guidance or regulations thereunder;

(f) "Incentive Compensation" means all bonus and other incentive-based compensation, as those terms are applied under EESA;

(g) "Parachute Payment" is defined as set forth in Section 280G(b)(2) of the Code, with amounts payable during the Authorities Period upon Applicable Severance being specifically included in applying such provision;

(h) "Total Change in Control Payments" means the total amount of the Change Payment together with all Additional 280G Payments that are required to be paid because of a Change in Control; and

(i) "Total Severance Payments" means the total amount of payments, including Additional 280G Payments, that are required to be paid to Riel but that would not have been payable to her if no Applicable Severance had occurred.

10.2 Compliance with Section 280G.

(a) Notwithstanding anything in this Agreement to the contrary, if any amount becomes payable to Riel because of an Applicable Severance and (ii) the Determining Firm determines that any portion of the Total Severance Payments would otherwise constitute a Parachute Payment, the amount payable to Riel shall automatically be reduced by the smallest amount necessary so that no portion of the Total Severance Payments will be a Parachute Payment. If Total Severance Payments are to be paid in other than a lump sum, such reduction shall be applied in inverse order to the time at which the payments are scheduled to be made (e.g., the last scheduled payment will be the first such payment to be reduced). If, despite the foregoing sentence, a payment shall be made to Riel that would constitute a Parachute Payment, Riel shall have no right to retain such payment, and, immediately upon being informed of the impropriety of such payment, Riel shall return such payment to the Bank or other Bank Entity that was the payer thereof, together with interest at the applicable federal rate determined pursuant to Section 1274(d) of the Code.

(b) Notwithstanding anything in this Agreement to the contrary, other than Section 10.2(a) above, if the Determining Firm determines that any portion of the Total Change in Control Payments would otherwise constitute a Parachute Payment, the amount payable to Riel shall automatically be reduced by the smallest amount necessary so that no portion of the Total Change in Control Payments will be a Parachute Payment. If Total Change in Control Payments are to be paid in other than a lump sum, such reduction shall be applied in inverse order to the time at which the payments are scheduled to be made (e.g., the last scheduled payment will be the first such payment to be reduced). If, despite the foregoing sentence, a payment shall be made to Riel that would constitute a Parachute Payment, Riel shall have no right to retain such payment and, immediately upon being informed of the impropriety of such payment, Riel shall return such payment to the Bank or other Bank Entity that was the payer thereof, together with interest at the applicable federal rate determined pursuant to Section 1274(d) of the Code.

10.3 Compliance with Section 409A.

(a) It is the intention of the parties hereto that this Agreement and the payments provided for hereunder shall not be subject to, or shall be in accordance with, Section 409A, and thus avoid the imposition of any tax and interest on Riel pursuant to Section 409A(a)(1)(B) of the Code, and this Agreement shall be interpreted and construed consistent with this intent. Riel acknowledges and agrees that she shall be solely responsible for the payment of any tax or penalty which may be imposed or to which she may become subject as a result of the payment of any amounts under this Agreement.

(b) Notwithstanding any provision of this Agreement to the contrary, if Riel is a "specified employee" at the time of her "separation from service", any payment of "nonqualified deferred compensation" (in each case as determined pursuant to Section 409A) that is otherwise to be paid to Riel within six (6) months following her separation from service, then to the extent that such payment would otherwise be subject to interest and additional tax under Section 409A(a)(1)(B) of the Code, such payment shall be delayed and shall be paid on the first business day of the seventh calendar month following Riel's separation from service, or, if earlier, upon Riel's death. Any deferral of payments pursuant to the foregoing sentence shall have no effect on any payments that are scheduled to be paid more than six (6) months after the date of separation from service.

(c) The parties hereto agree that they shall take such actions as may be necessary and permissible under applicable law, regulation and guidance to amend or revise this Agreement in order to ensure that Section 409A(a)(1)(B) does not impose additional tax and interest on payments made pursuant to this Agreement.

10.4 Clawback if Material Inaccuracy. If any Incentive Compensation that is paid to Riel by the Bank or any other Bank Entity while the U.S. Treasury holds any equity securities in Bancorp is based on any materially inaccurate financial statement or other materially inaccurate performance metric criteria, as those terms are applied under EESA, Riel shall be required to disgorge and pay over to the Bank or such other Bank Entity all such Incentive Compensation, together with interest at the applicable federal rate determined pursuant to Section 1274(d) of the Code.

11. Assignability. Riel shall have no right to assign this Agreement or any of her rights or obligations hereunder to another party or parties. The Bank may assign this Agreement to any of its Affiliates or to any Person that acquires a substantial portion of the operating assets of the Bank. Upon any such assignment by the Bank, references in this Agreement to the Bank shall automatically be deemed to refer to such assignee instead of, or in addition to, the Bank, as appropriate in the context.

12. Governing Law; Venue. This Agreement shall be governed by and construed in accordance with the laws of the State of Maryland applicable to contracts executed and to be performed therein, without giving effect to the choice of law rules thereof. Any action to enforce any provision of this Agreement may be brought only in a court of the State of Maryland or in the United States District Court for the District of Maryland. Accordingly, each party (a) agrees to submit to the jurisdiction of such courts and to accept service of process at its address for notices and in the manner provided in Section 13 for the giving of notices in any such action or proceeding brought in any such court and (b) irrevocably waives any objection to the laying of venue of any such proceeding brought in such a court and any claim that any such proceeding brought in such a court has been brought in an inconvenient or inappropriate forum.

13. Notices. All notices, requests, demands and other communications required to be given or permitted to be given under this Agreement shall be in writing and shall be conclusively deemed to have been given as follows: (a) when hand delivered to the other party; (b) when received by facsimile at the facsimile number set forth below, provided, however, that any notice given by facsimile shall not be effective unless either (i) a duplicate copy of such facsimile notice is promptly given by depositing the same in a United States post office first-class postage prepaid and addressed to the applicable party as set forth below or (ii) the receiving party delivers a written confirmation of receipt for such notice either by facsimile or by any other method permitted under this Section; or (c) when deposited in a United States post office with first-class certified mail, return receipt requested, postage prepaid and addressed to the applicable party as set forth below; or (d) when deposited with a national overnight delivery service reasonably approved by the parties (Federal Express and DHL WorldWide Express being deemed approved by the parties), postage prepaid, addressed to the applicable party as set forth below with next-business-day delivery guaranteed; provided that the sending party receives a confirmation of delivery from the delivery service provider. Any notice given by facsimile shall be deemed received on the date on which notice is received except that if such notice is received after 5:00 p.m. (recipient's time) or on a non-business day, notice shall be deemed given the next business day). Any notice sent by Untied States mail shall be deemed given three (3) business days after the same has been deposited in the United States mail. Any notice given by national overnight delivery service shall be deemed given on the first business day following deposit with such delivery service. For purposes of this Agreement, the term "business day" shall mean any day other than a Saturday, Sunday or day that is a legal holiday in Montgomery County, Maryland. The address of a party set forth below may be changed by that party by written notice to the other from time to time pursuant to this Article.

To: Susan G. Riel
688 Ridge Road
Mt. Airy, MD 21771

Fax No.

To: EagleBank
c/o Ronald D. Paul
7815 Woodmont Ave.
Bethesda, MD 20814
Fax No.: 301.986-8529

cc: Fred Sommer, Esquire
Shulman, Rogers, Gandal, Pordy & Ecker, P.A.
11921 Rockville Pike, 3rd Floor
Rockville, Maryland 20852
Fax No.: 301-230-2891

After August 1, 2009 to:

Fred Sommer, Esquire
Shulman, Rogers, Gandal, Pordy & Ecker, P.A.
12505 Park Potomac Avenue, Sixth Floor
Potomac, MD 20854
Fax No.:

14. Entire Agreement. This Agreement contains all of the agreements and understandings between the parties hereto with respect to the employment of Riel by the Bank, and supersedes all prior agreements, arrangements and understandings related to the subject matter hereof. No oral agreements or written correspondence shall be held to affect the provisions hereof. No representation, promise, inducement or statement of intention has been made by either party that is not set forth in this Agreement, and neither party shall be bound by or liable for any alleged representation, promise, inducement or statement of intention not so set forth. Not in limitation of the foregoing, this Agreement supersedes and replaces the Original Agreement, except that Riel shall remain entitled to receive any compensation earned but not yet paid thereunder.

15. Headings. The Article and Section headings contained in this Agreement are for reference purposes only and shall not in any way affect the meaning or interpretation of this Agreement.

16. Severability. Should any part of this Agreement for any reason be declared or held illegal, invalid or unenforceable, such determination shall not affect the legality, validity or enforceability of any remaining portion or provision of this Agreement, which remaining portions and provisions shall remain in force and effect as if this Agreement has been executed with the illegal, invalid or unenforceable portion thereof eliminated.

17. Amendment; Waiver. Neither this Agreement nor any provision hereof may be amended, modified, changed, waived, discharged or terminated except by an instrument in writing signed by the party against which enforcement of the amendment, modification, change, waiver, discharge or termination is sought. The failure of either party at any time or times to require performance of any provision hereof shall not in any manner affect the right at a later time to enforce the same. No waiver by either party of the breach of any term, provision or covenant contained in this Agreement, whether by conduct or otherwise, in any one or more instances, shall be deemed to be, or construed as, a further or continuing waiver of any such breach, or a waiver of the breach of any other term, provision or covenant contained in this Agreement.

18. Gender and Number. As used in this Agreement, the masculine, feminine and neuter gender, and the singular or plural number, shall each be deemed to include the other or others whenever the context so indicates.

19. Binding Effect. This Agreement is and shall be binding upon, and inures to the benefit of, the Bank, its successors and assigns, and Riel and her heirs, executors, administrators, and personal and legal representatives.

[signatures on following page]

IN WITNESS WHEREOF, the parties have executed this Amended and Restated Employment Agreement as of the date first written above.

EAGLEBANK

By: _____
Name: Ronald D. Paul
Title: Chief Executive Officer

SUSAN G. RIEL

_____

Attachment A

Form of
General Release and Waiver of All Claims

Susan G. Riel ("**you**") executes this General Release And Waiver of All Claims (the "**Release**") as a condition of receiving certain payments and other benefits in accordance with the terms of Section 7.7 of your Amended and Restated Employment Agreement dated , 2008. All capitalized terms used but not otherwise defined herein shall have the same meaning as in your Employment Agreement.

1. RELEASE.

You hereby release and forever discharge EagleBank and Eagle Bancorp, Inc. [*modify to specifically include any additional Affiliates*] and each and every one of their former or current subsidiaries, parents, affiliates, directors, officers, employees, agents, parents, affiliates, successors, predecessors, subsidiaries, assigns and attorneys (the "**Released Parties**") from any and all charges, claims, damages, injury and actions, in law or equity, which you or your heirs, successors, executors, or other representatives ever had, now have, or may in the future have by reason of any act, omission, matter, cause or thing through the date of your execution of this Release. You understand that this Release is a general release of all claims you may have against the Released Parties based on any act, omission, matter, case or thing through the date of your execution of this Release.

2. WAIVER.

You realize there are many laws and regulations governing the employment relationship. These include, but are not limited to, Title VII of the Civil Rights Acts of 1964 and 1991; the Age Discrimination in Employment Act of 1967; the Americans with Disabilities Act; the National Labor Relations Act; 42 U.S.C. § 1981; the Family and Medical Leave Act; the Employee Retirement Income Security Act of 1974 (other than any accrued benefit(s) to which you have a non-forfeitable right under any pension benefit plan); the Maryland Civil Rights Act, the Maryland Wage Payment and Collection Law, Maryland Occupational Safety and Health Act, the Maryland Collective Bargaining Law, and any other state, local and federal employment laws; and any amendments to any of the foregoing. You also understand there may be other statutes and laws of contract and tort that also relate to your employment. By signing this Release, you waive and release any rights you may have against the Released Parties under these and any other laws based on any act, omission, matter, cause or thing through the date of your execution of this Release. You also agree not to initiate, join, or voluntarily participate in any action or suit in any court or to accept any damages or other relief from any such proceeding brought by anyone else based on any act, omission, matter, cause or thing through the date of your execution of this Release.

3. NOTICE PERIOD.

This document is important. We advise you to review it carefully and consult an attorney before signing it, as well as any other professional whose advice you value, such as an accountant or financial advisor. If you agree to the terms of this Release, sign in the space indicated below for your signature. You will have twenty-one (21) calendar days from the date you receive this document to consider whether to sign this Release. If you choose to sign the Release before the end of that twenty-one day period, you certify that you did so voluntarily for your own benefit and not because of any coercion.

4. RETURN OF PROPERTY.

You certify that you have fully complied with Section 8.4 of your Employment Agreement.

5. REVOCATION.

You should also understand that even after you have signed this Release, you still have seven (7) days to revoke it. To revoke your acceptance of this Release, the Chairman of the Bank's Board of Directors must receive written notice before the end of the seven (7)-day period. In the event you revoke or do not accept this Release, you will not be entitled to any of the payments or benefits that you would have been entitled to under your Employment Agreement by virtue of executing this Release. If you do not revoke this Release within seven (7) days after you sign it, it will be final, binding, and irrevocable.

IN WITNESS WHEREOF, the Parties have knowingly and voluntarily executed this Release, as of the day and year first set forth below.

Susan G. Riel	**Date**
EagleBank	**Date**

Exhibit 10.8

AMENDED AND RESTATED
EMPLOYMENT AGREEMENT

THIS AMENDED AND RESTATED EMPLOYMENT AGREEMENT ("Agreement") is made and entered into as of the 2nd day of December, 2008, by and between EagleBank, a Maryland chartered commercial bank (the "Bank"), and Barry C. Watkins ("Watkins").

RECITALS:

WHEREAS, the Bank and Watkins are parties to an Employment Agreement dated December 1, 2007 (the "Original Agreement"), pursuant to which Watkins serves as the Bank's President – District of Columbia and Northern Virginia Regions; and

WHEREAS, the parties believe that amendment of the Original Agreement is appropriate in order to ensure that Section 409A(a)(1)(B) of the Internal Revenue Code does not impose additional tax and interest on payments to Watkins; and

WHEREAS, the parties believe that amendment of the Original Agreement is appropriate in order to ensure that the provisions thereof do not impede the ability of the Bank and its affiliates to receive funds from the U.S. Department of Treasury pursuant to the Troubled Assets Relief Plan Capital Purchase Program; and

WHEREAS, to accomplish the foregoing, the parties desire to hereby enter into this Agreement to supersede and replace the Original Agreement.

NOW, THEREFORE, in consideration of the premises and the mutual covenants and agreements set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound hereby, the parties hereto agree as follows:

1. Employment. The Bank agrees to employ Watkins, and Watkins agrees to be employed as the Bank's President – District of Columbia and Northern Virginia Regions, subject to the terms and provisions of this Agreement.

2. Certain Definitions. As used in this Agreement, the following terms have the meanings set forth below:

2.1 "Affiliate" means, with respect to any Person, (i) any Person directly or indirectly controlling, controlled by or under common control with such Person, (ii) any Person owning or controlling fifty percent (50%) or more of the outstanding voting interests of such Person, (iii) any officer, director, general partner, managing member, or trustee of, or Person serving in a similar capacity with respect to, such Person, or (iv) any Person who is an officer, director, general partner, member, trustee, or holder of fifty percent (50%) or more of the voting interests of any Person described in clauses (i), (ii), or (iii) of this sentence. For purposes of this definition, the terms "controlling," "controlled by," or "under common control with" shall mean the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities, by contract or otherwise.

2.2 "Bancorp" means Eagle Bancorp, Inc., a Maryland corporation.

2.3 "Bank" is defined in the Recitals. If the Bank is merged into any other Entity, or transfers substantially all of its business operations or assets to another Entity, the term "Bank" shall be deemed to include such successor Entity for purposes of applying Article 8 of this Agreement.

2.4 "Bank Entities" means and includes any of the Bank, Bancorp and their Affiliates.

2.5 "Bank Regulatory Agency" means any governmental authority, regulatory agency, ministry, department, statutory corporation, central bank or other body of the United States or of any other country or of any

state or other political subdivision of any of them having jurisdiction over the Bank or any transaction contemplated, undertaken or proposed to be undertaken by the Bank, including, but not necessarily be limited to:

(a) the Federal Deposit Insurance Corporation or any other federal or state depository insurance organization or fund;

(b) the Federal Reserve System, the Maryland Division of Financial Institutions, or any other federal or state bank regulatory or commissioner's office;

(c) any Person established, organized, owned (in whole or in part) or controlled by any of the foregoing; and

(d) any predecessor, successor or assignee of any of the foregoing.

2.6 "Board" means the Board of Directors of the Bank.

2.7 "Code" means the Internal Revenue Code of 1986, as amended.

2.8 "Competitive Business" means the banking and financial services business, which includes, without limitation, consumer savings, commercial banking, the insurance and trust business, the savings and loan business and mortgage lending, or any other business in which any of the Bank Entities is engaged or has invested significant resources within the prior six (6) month period in preparation for becoming actively engaged.

2.9 "Competitive Products or Services" means, as of any time, those products or services of the type that any of the Bank Entities is providing, or is actively preparing to provide, to its customers.

2.10 "Disability" means a mental or physical condition which, in the good faith opinion of the Board, renders Watkins, with reasonable accommodation, unable or incompetent to carry out the material job responsibilities which Watkins held or the material duties to which Watkins was assigned at the time the disability was incurred, which has existed for at least three (3) months and which in the opinion of a physician mutually agreed upon by the Bank and Watkins (*provided* that neither party shall unreasonably withhold such agreement) is expected to be permanent or to last for an indefinite duration or a duration in excess of nine (9) months.

2.11 "Expiration Date" means August 31, 2011.

2.12 "Person" means any individual or Entity.

2.13 "Section 409A" means Section 409A of the Code and the regulations and administrative guidance promulgated thereunder.

2.14 "Termination Date" means the Expiration Date or such earlier date on which the Term expires pursuant to Section 3.1 or is terminated pursuant to Section 7.2, 7.3, 7.4, or 7.5, as applicable.

Other terms are defined throughout this Agreement and have the meanings so given them.

3. Term; Position.

3.1 Term. Watkins' employment hereunder shall continue until the Expiration Date, unless extended in writing by both the Bank and Watkins or sooner terminated in accordance with the provisions of this Agreement (the "Term").

3.2 Position. The Bank shall employ Watkins to serve as the Bank's President – District of Columbia and Northern Virginia Regions.

3.3 No Restrictions. Watkins represents and warrants to the Bank that Watkins is not subject to any legal obligations or restrictions that would prevent or limit his entering into this Agreement and performing his responsibilities hereunder.

4. Duties of Watkins.

4.1 Nature and Substance. Watkins shall report directly to and shall be under the direction of *the Chief Executive Officer*. The specific powers and duties of Watkins shall be established, determined and modified by and within the discretion of the Board.

4.2 Performance of Services. Watkins agrees to devote his full business time and attention to the performance of his duties and responsibilities under this Agreement, and shall use his best efforts and discharge his duties to the best of his ability for and on behalf of the Bank and toward its successful operation. Watkins agrees that, without the prior written consent of the Board, he will not during the Term, directly or indirectly, perform services for or obtain a financial or ownership interest in any other Entity (an "Outside Arrangement") if such Outside Arrangement would interfere with the satisfactory performance of his duties to the Bank, present a conflict of interest with the Bank and/or Bancorp, breach his duty of loyalty or fiduciary duties to the Bank and/or Bancorp, or otherwise conflict with the provisions of this Agreement. Watkins shall promptly notify the Board of any Outside Arrangement, provide the Bank with any written agreement in connection therewith and respond fully and promptly to any questions that the Board may ask with respect to any Outside Arrangement. If the Board determines that Watkins' participation in an Outside Arrangement would interfere with his satisfactory performance of his duties to the Bank, present a conflict of interest with the Bank and/or Bancorp, breach his duty of loyalty or fiduciary duties to the Bank and/or Bancorp, or otherwise conflict with the provisions of this Agreement, Watkins shall not undertake, or shall cease, such Outside Arrangement as soon as feasible after the Board notifies him of such determination. Notwithstanding any provision hereof to the contrary, this Section 4.2 does not restrict Watkins' right to own securities of any Entity that files periodic reports with the Securities and Exchange Commission under Section 13 or 15(d) of the Securities Exchange Act of 1934, as amended; provided that his total ownership constitutes less than two percent (2%) of the outstanding securities of such company.

4.3 Compliance with Law. Watkins shall comply with all laws, statutes, ordinances, rules and regulations relating to his employment and duties.

5. Compensation; Benefits. As full compensation for all services rendered pursuant to this Agreement and the covenants contained herein, the Bank shall pay to Watkins the following:

5.1 Salary. Through the end of the Term, Watkins shall be paid a salary ("Salary") of Two Hundred Fifty-one Thousand Seven Hundred Forty-one Dollars ($251,741.00) on an annualized basis. The Bank shall pay Watkins' Salary in equal installments in accordance with the Bank's regular payroll periods as may be set by the Bank from time to time. Watkins' Salary may be further increased from time to time, at the discretion of the Board. Watkins may also be entitled to certain incentive bonus payments as determined by Board approved incentive plans.

5.2 Withholding. Payments of Salary shall be subject to the customary withholding of income and other employment taxes as is required with respect to compensation paid by an employer to an employee.

5.3 Vacation and Leave. Watkins shall be entitled to such vacation and leave as may be provided for under the current and future leave and vacation policies of the Bank for executive officers.

5.4 Office Space. The Bank will provide customary office space and office support to Watkins.

5.5 Parking. Paid parking at Watkins' regular worksite will be provided by the Bank at its expense.

5.6 Car Allowance. The Bank will pay Watkins a monthly car allowance of One Thousand Five Hundred Dollars ($1,500.00).

5.7 Non-Life Insurance. The Bank will provide Watkins with group health, disability and other insurance as the Bank may determine appropriate for all employees of the Bank.

5.8 Life Insurance.

5.8.1 The Bank will pay the premiums, up to a maximum of Five Thousand Dollars ($5,000.00) per year, for the cost of a term life insurance policy, provided Watkins submits all appropriate documentation showing the amount of the premium.

5.8.2 The Bank may, at its cost, obtain and maintain "key-man" life insurance and/or Bank-owned life insurance on Watkins in such amount as determined by the Board from time to time. Watkins agrees to cooperate fully and to take all actions reasonably required by the Bank in connection with such insurance.

5.9 Expenses. The Bank shall, promptly upon presentation of proper expense reports therefor, pay or reimburse Watkins, in accordance with the policies and procedures established from time to time by the Bank for its officers, for all reasonable and customary travel (other than local use of an automobile for which Watkins is being provided the car allowance) and other out-of-pocket expenses incurred by Watkins in the performance of his duties and responsibilities under this Agreement and promoting the business of the Bank, including approved membership fees, dues and the cost of attending business related seminars, meetings and conventions.

5.10 Retirement Plans. Watkins shall be entitled to participate in any and all qualified pension or other retirement plans of the Bank which may be applicable to personnel of the Bank.

5.11 Other Benefits. While this Agreement is in effect, Watkins shall be entitled to all other benefits that the Bank provides from time to time to its officers.

5.12 Eligibility. Participation in any health, life, accident, disability, medical expense or similar insurance plan or any qualified pension or other retirement plan shall be subject to the terms and conditions contained in such plan. All matters of eligibility for benefits under any insurance plans shall be determined in accordance with the provisions of the applicable insurance policy issued by the applicable insurance company.

5.13 Equity Compensation. Watkins shall be eligible to receive awards of options, SARs and /or Restricted Stock under the 2006 Stock Plan of Bancorp, from time to time, at the discretion of the 2006 Plan Committee or Compensation Committee of the Board of Directors of Bancorp.

6. Conditions Subsequent to Continued Operation and Effect of Agreement.

6.1 Continued Approval by Bank Regulatory Agencies. This Agreement and all of its terms and conditions, and the continued operation and effect of this Agreement and the Bank's continuing obligations hereunder, shall at all times be subject to the continuing approval of any and all Bank Regulatory Agencies whose approval is a necessary prerequisite to the continued operation of the Bank. Should any term or condition of this Agreement, upon review by any Bank Regulatory Agency, be found to violate or not be in compliance with any then-applicable statute or any rule, regulation, order or understanding promulgated by any Bank Regulatory Agency, or should any term or condition required to be included herein by any such Bank Regulatory Agency be absent, this Agreement may be rescinded and terminated by the Bank if the parties hereto cannot in good faith agree upon such additions, deletions or modifications as may be deemed necessary or appropriate to bring this Agreement into compliance.

7. Termination of Agreement. Prior to the Expiration Date, the Term of this Agreement may be terminated as provided below in this Article 7.

7.1 Definition of Cause. For purposes of this Agreement, "Cause" means:

(a) any act of theft, fraud, intentional misrepresentation, personal dishonesty or breach of fiduciary duty involving personal gain or similar conduct by Watkins with respect to the Bank Entities or the services to be rendered by him under this Agreement;

(b) any failure of this Agreement to comply with any Bank Regulatory Agency requirement which is not cured in accordance with Section 6.1 within a reasonable period of time after written notice thereof;

(c) any Bank Regulatory Agency action or proceeding against Watkins as a result of his negligence, fraud, malfeasance or misconduct;

(d) indictment of Watkins, or Watkins' conviction or plea of *nolo contendere* at the trial court level, of a felony, or any crime of moral turpitude, or involving dishonesty, deception or breach of trust;

(e) any of the following conduct on the part of Watkins that Watkins has not corrected or cured within thirty (30) days after having received written notice from the Bank detailing and describing such conduct (provided, however, that the Bank shall not be required to provide Watkins with notice and opportunity to cure more than two (2) times in any twelve (12) month period):

(i) habitual absenteeism, or the failure by or the inability of Watkins to devote full time attention and energy to the performance of Watkins' duties pursuant to this Agreement (other than by reason of his death or Disability);

(ii) intentional material failure by Watkins to carry out the explicit lawful and reasonable directions, instructions, policies, rules, regulations or decisions of the Board which are consistent with his position;

(iii) willful or intentional misconduct on the part of Watkins that results, or that the Board in good faith determines may result, in substantial injury to the Bank or any of its Affiliates; or

(iv) any action (including any failure to act) or conduct by Watkins in violation of a material provision of this Agreement (including but not limited to the provisions of Article 8 hereof, which shall be deemed to be material); or

(f) the use of drugs, alcohol or other substances by Watkins to an extent which materially interferes with or prevents Watkins from performing his duties under this Agreement;

(g) the determination by the Board, in the exercise of its reasonable judgment and in good faith, that Watkins' job performance is substantially unsatisfactory and that he has failed to cure such performance within a reasonable period (but in no event more than thirty (30) days) after written notice specifying in reasonable detail the nature of the unsatisfactory performance; or

(h) Watkins' commission of unethical business practices, acts of moral turpitude, financial impropriety, fraud or dishonesty in any material matter which the Board in good faith determines could adversely affect the reputation, standing or financial prospects of the Bank or its Affiliates.

7.2 Termination by the Bank for Cause. After the occurrence of any of the conditions specified in Section 7.1, the Bank shall have the right to terminate the Term for Cause immediately on written notice to Watkins.

7.3 Termination by the Bank without Cause. The Bank shall have the right to terminate the Term at any time on written notice without Cause, for any or no reason, such termination to be effective on the date on which the Bank gives such notice to Watkins or such later date as may be specified in such notice.

7.4 Termination for Death or Disability. The Term shall automatically terminate upon the death of Watkins or upon the Board's determination that Watkins is suffering from a Disability.

7.5 Termination by Watkins. Watkins shall have the right to terminate the Term at any time, such termination to be effective on the date ninety (90) days after the date on which Watkins gives such notice to the Bank unless Watkins and the Bank agree in writing to a later date on which such termination is to be effective. After receiving notice of termination, the Bank may require Watkins to devote his good faith energies to transitioning his duties to his successor and to otherwise helping to minimize the adverse impact of his resignation upon the operations of the Bank. If Watkins fails or refuses to fully cooperate with such transition, the Bank may immediately terminate Watkins, in which case it shall no longer have any obligation to pay any Salary or provide any benefits to him, but solely for purposes of Sections 8.5 and 8.6 below, the Termination Date shall be the date ninety (90) days after the date on which Watkins gives notice of termination to the Bank pursuant to the first sentence of this Section 7.5, or the later date referred to therein, whichever is later.

7.6 Pre-Termination Salary and Expenses. Without regard to the reason for, or the timing of, the termination or expiration of the Term: (a) the Bank shall pay Watkins any unpaid Salary due for the period prior to the Termination Date; and (b) following submission of proper expense reports by Watkins, the Bank shall reimburse Watkins for all expenses incurred prior to the Termination Date and subject to reimbursement pursuant to Section 5.9 hereof. These payments shall be made promptly upon termination and within the period of time mandated by law.

7.7 Severance if Termination by the Bank without Cause. Provided that Watkins signs and delivers to the Bank no later than twenty-one (21) days after the Termination Date a General Release and Waiver in the form attached to this Agreement as Exhibit A, and except as set forth below, if the Term is terminated by the Bank during the Term without Cause, the Bank shall, for a period of one (1) year following the Termination Date, (i) continue to pay Watkins, in the manner set forth below, Watkins' Salary at the rate being paid as of the Termination Date, and (ii) if Watkins timely elects to continue his health insurance benefits under COBRA, pay to the insurer Watkins' premiums for health insurance benefits continuation (for so long as Watkins remains qualified for such continuation under COBRA); provided, however, that Watkins shall not be entitled to any such payments if he is otherwise entitled to payments pursuant to Section 9.4 in relation to a Change in Control. Any payments due Watkins pursuant to this Section 7.7 shall be paid to Watkins in installments on the same schedule as Watkins was paid immediately prior to the Termination Date, each installment to be the same amount Watkins would have been paid under this Agreement if he had not been terminated. In the event Watkins breaches any provision of Article 8 of this Agreement, Watkins' entitlement to any payments payable pursuant to this Section 7.7, if and to the extent not yet paid, shall thereupon immediately cease and terminate as of the date of such breach, with Watkins having the obligation to repay to the Bank any payments that were paid to him and any payments for health insurance benefits continuation pursuant to this Section 7.7 with respect to the period after such breach occurred and before such breach became known to the Bank. Furthermore, if termination was initially not for Cause but the Bank thereafter determines in good faith that, during the Term, Watkins had engaged in conduct that would have constituted Cause, Watkins' entitlement to any payments pursuant to this Section 7.7 shall terminate retroactively to the Termination Date, with Watkins having the obligation to repay to the Bank all payments that were paid to him and any payments for health insurance benefits continuation pursuant to this Section 7.7, and, upon the return of all such payments, said General Release and Waiver shall be deemed rescinded and of no force or effect. Notwithstanding anything to the contrary in this Section 7.7, any payment pursuant to this Section shall be subject to (i) any delay in payment required by Section 10.3 hereof and (ii) any reduction required pursuant to Section 10.2 hereof.

7.8 Termination After Change in Control. Sections 9.2 and 9.3 set out provisions applicable to certain circumstances in which the Term may be terminated after Change in Control.

8. Confidentiality; Non-Competition; Non-Interference.

8.1 Confidential Information. Watkins, during employment, will have, and has had, access to and become familiar with various confidential and proprietary information of the Bank Entities and/or relating to the business of the Bank Entities ("Confidential Information"), including, but not limited to: business plans; operating results; financial statements and financial information; contracts; mailing lists; purchasing information; customer data (including lists, names and requirements); feasibility studies; personnel related information (including compensation, compensation plans, and staffing plans); internal working documents and communications; and other materials related to the businesses or activities of the Bank Entities which is made available only to employees with

a need to know or which is not generally made available to the public. Failure to mark any Confidential Information as confidential, proprietary or protected information shall not affect its status as part of the Confidential Information subject to the terms of this Agreement.

8.2 Nondisclosure. Watkins hereby covenants and agrees that he shall not, directly or indirectly, disclose or use, or authorize any Person to disclose or use, any Confidential Information (whether or not any of the Confidential Information is novel or known by any other Person); provided however, that this restriction shall not apply to the use or disclosure of Confidential Information (i) to any governmental entity to the extent required by law, (ii) which is or becomes publicly known and available through no wrongful act of Watkins or any Affiliate of Watkins or (iii) in connection with the performance of Watkins' duties under this Agreement.

8.3 Nondisclosure of this Agreement. The terms, conditions and fact of this Agreement are strictly confidential. From and after the date of execution of this Agreement, Watkins agrees not to disclose, directly or indirectly, the existence of this Agreement or any of the terms and conditions herein to any Person except that Watkins may disclose the existence of this Agreement or the terms and conditions herein to Watkins' immediate family, tax, financial or legal advisers, prospective employers (with whom Watkins' employment is not prohibited by Section 8.5), any taxing authority, or as required by law. If Watkins is asked about the existence and/or terms and conditions of this Agreement, Watkins is permitted to state only that "the terms of my employment are a confidential matter that I am not able to disclose." Watkins acknowledges that the terms of this Section 8.3 are a material inducement for the Bank to enter into this Agreement. Notwithstanding the foregoing, Watkins may disclose such information regarding this Agreement as may be disclosed by the Bank Entities in any document filed with the Securities and Exchange Commission.

8.4 Documents. All files, papers, records, documents, compilations, summaries, lists, reports, notes, databases, tapes, sketches, drawings, memoranda, and similar items (collectively, "Documents"), whether prepared by Watkins, or otherwise provided to or coming into the possession of Watkins, that contain any proprietary information about or pertaining or relating to the Bank Entities (the "Bank Information") shall at all times remain the exclusive property of the Bank Entities. Promptly after a request by the Bank or the Termination Date, Watkins shall take reasonable efforts to (i) return to the Bank all Documents in any tangible form (whether originals, copies or reproductions) and all computer disks or other media containing or embodying any Document or Bank Information and (ii) purge and destroy all Documents and Bank Information in any intangible form (including computerized, digital or other electronic format) as may be requested in writing by the Chief Executive Officer of the Bank or Chairman of the Board of the Bank, and Watkins shall not retain in any form any such Document or any summary, compilation, synopsis or abstract of any Document or Bank Information.

8.5 Non-Competition. Watkins hereby acknowledges and agrees that, during the course of employment, Watkins has become, and will become, familiar with and involved in all aspects of the business and operations of the Bank Entities. Watkins hereby covenants and agrees that from the Commencement Date until the later to occur of (a) the date one (1) year after the Termination Date, or (b) the Expiration Date (the "Restricted Period"), Watkins will not at any time (except for the Bank Entities), directly or indirectly, in any capacity (whether as a proprietor, owner, agent, officer, director, shareholder, organizer, partner, principal, manager, member, employee, contractor, consultant or otherwise) provide any advice, assistance or services to any Competitive Business or to any Person that is attempting to form or acquire a Competitive Business if such Competitive Business operates, or is planning to operate, any office, branch or other facility (in any case, a "Branch") that is (or is proposed to be) located within a thirty-five (35) mile radius of the Bank's headquarters or any Branch of the Bank Entities. Notwithstanding any provision hereof to the contrary, this Section 8.5 does not restrict Watkins' right to (i) own securities of any Entity that files periodic reports with the Securities and Exchange Commission under Section 13 or 15(d) of the Securities Exchange Act of 1934, as amended; provided that his total ownership constitutes less than two percent (2%) of the outstanding securities of such company.

8.6 Non-Interference. Watkins hereby covenants and agrees that during the Restricted Period, he will not, directly or indirectly, for himself or any other Person (whether as a proprietor, owner, agent, officer, director, shareholder, organizer, partner, principal, member, manager, employee, contractor, consultant or any other capacity):

(a) induce or attempt to induce any customer, supplier, officer, director, employee, contractor, consultant, agent or representative of, or any other Person that has a business relationship with any Bank Entity, to discontinue, terminate or reduce the extent of its, his or her relationship with any Bank Entity or to take any action that would disrupt or otherwise be disadvantageous to any such relationship;

(b) solicit any customer of any of the Bank Entities for the purpose of providing any Competitive Products or Services to such customer (other than any solicitation to the general public that is not disproportionately directed at customers of any Bank Entity); or

(c) solicit any employee of any of the Bank Entities to commence employment with, become a consultant or independent contractor to or otherwise provide services for the benefit of any other Competitive Business

In applying this Section 8.6:

(i) the term "customer" shall be deemed to include, at any time, any Person to which any of the Bank Entities had, during the six (6) month period immediately prior to such time, (A) sold any products or provided any services or (B) submitted, or been in the process of submitting or negotiating, a proposal for the sale of any product or the provision of any services;

(ii) the term "supplier" shall be deemed to include, at any time, any Person which, during the six (6) month period immediately prior to such time, (A) had sold any products or services to any of the Bank Entities or (B) had submitted to any of the Bank Entities a proposal for the sale of any products or services;

(iii) for purposes of clause (c), the term "employee" shall be deemed to include, at any time, any Person who was employed by any of the Bank Entities within the prior six (6) month period (thereby prohibiting Watkins from soliciting any Person who had been employed by any of the Bank Entities until six (6) months after the date on which such Person ceased to be so employed); and

(iv) If during the Restricted Period any employee of any of the Bank Entities accepts employment with or is otherwise retained by any Competitive Business of which Watkins is an owner, director, officer, manager, member, employee, partner or employee, or to which Watkins provides material services, it shall be presumed that such employee was hired in violation of the restriction set forth in clause (c) of this Section 8.6, with such presumption to be overcome only upon Watkins' showing by a preponderance of the evidence that he was not directly or indirectly involved in the hiring, soliciting or encouraging such employee to leave employment with the Bank Entities.

8.7 Injunction. In the event of any breach or threatened or attempted breach of any provision of this Article 8 by Watkins, the Bank shall, in addition to and not to the exclusion of any other rights and remedies at law or in equity, be entitled to seek and receive from any court of competent jurisdiction (i) full temporary and permanent injunctive relief enjoining and restraining Watkins and each and every other Person concerned therein from the continuation of such violative acts and (ii) a decree for specific performance of the applicable provisions of this Agreement, without being required to furnish any bond or other security.

8.8 Reasonableness.

8.8.1 Watkins has carefully read and considered the provisions of this Article 8 and, having done so, agrees that the restrictions and agreements set forth in this Article 8 are fair and reasonable and are reasonably required for the protection of the interests of the Bank Entities and their respective businesses, shareholders, directors, officers and employees. Watkins further agrees that the restrictions set forth in this Agreement will not impair or unreasonably restrain his ability to earn a livelihood.

8.8.2 If any court of competent jurisdiction should determine that the duration, geographical area or scope of any provision or restriction set forth in this Article 8 exceeds the maximum duration, geographic area or scope that is reasonable and enforceable under applicable law, the parties agree that said provision shall automatically be modified and shall be deemed to extend only over the maximum duration, geographical area and/or scope as to

which such provision or restriction said court determines to be valid and enforceable under applicable law, which determination the parties direct the court to make, and the parties agree to be bound by such modified provision or restriction.

9. Change in Control.

9.1 Definition. "Change in Control" means and shall be deemed to have occurred if:

(a) there shall be consummated (i) any consolidation, merger, share exchange, or similar transaction relating to Bancorp, or pursuant to which shares of Bancorp's capital stock are converted into cash, securities of another Entity and/or other property, other than a transaction in which the holders of Bancorp'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, or (ii) any sale of all or substantially all of the assets of Bancorp, 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 U.S. Treasury Regulations;

(b) any person, entity or group (each within the meaning of Sections 13(d) and 14(d)(2) of the Securities Exchange Act of 1934, as amended (the "Exchange Act")) shall become the beneficial owner (within the meaning of Rules 13d-3 and 13d-5 under the Exchange Act), directly or indirectly, of securities of Bancorp representing more than fifty percent (50%) of the voting power of all outstanding securities of Bancorp entitled to vote generally in the election of directors of Bancorp (including, without limitation, any securities of Bancorp that any such Person has the right to acquire pursuant to any agreement, or upon exercise of conversion rights, warrants or options, or otherwise, which shall be deemed beneficially owned by such Person); or

(c) over a twelve (12) month period, a majority of the members of the Board of Directors of Bancorp are replaced by directors whose appointment or election was not endorsed by a majority of the members of the Board of Directors of Bancorp in office prior to such appointment or election.

Notwithstanding the foregoing, if the event purportedly constituting a Change in Control under Section 9.1(a), Section 9.1(b), or Section 9.1(c) does not also constitute a "change in ownership" of Bancorp, a "change in effective control" of Bancorp, or a "change in the ownership of a substantial portion of the assets" of Bancorp within the meaning of Section 409A, then such event shall not constitute a "Change in Control" hereunder.

9.2 Change in Control Termination. For purposes of this Agreement, a "Change in Control Termination" means that while this Agreement is in effect:

(a) Watkins' employment with the Bank is terminated without Cause (i) within one hundred twenty (120) days immediately prior to and in conjunction with a Change in Control or (ii) within twelve (12) months following consummation of a Change in Control; or

(b) Within twelve (12) months following consummation of a Change in Control, Watkins' title, duties and or position have been materially reduced such that Watkins is not in a comparable position (with materially comparable compensation, benefits and responsibilities and is located within twenty-five (25) miles of Watkins' primary worksite) to the position he held immediately prior to the Change in Control, and within thirty (30) days after notification of such reduction he notifies the Bank that he is terminating his employment due to such change in his employment unless such change is cured within thirty (30) days of such notice by providing him with a comparable position (including materially comparable compensation and benefits and is located within twenty-five (25) miles of Watkins' primary worksite). If Watkins' employment is terminated under this Section, his last day of employment shall be mutually agreed to by Watkins and the Bank, but shall be not more than sixty (60) days after such notice is given by Watkins.

9.3 Window Period Resignation After Change in Control. If at the expiration of the twelve (12) month period following consummation of a Change in Control (the "Action Period"), Watkins' employment by the Bank has not been terminated, Watkins may, by giving written notice to the Bank within the thirty (30) day period immediately following the last day of the Action Period, elect to terminate the Term, in which event his last day of

employment will be as mutually agreed to by the Bank and Watkins but which shall be not more than sixty (60) days after such notice is given by Watkins.

9.4 Change in Control Payment. If there is a Change in Control Termination pursuant to Section 9.2 or Watkins resigns after the Action Period pursuant to Section 9.3, Watkins shall be paid a lump-sum cash payment (the "Change Payment") equal to 2.99 times Watkins' Salary at the highest rate in effect during the twelve (12) month period immediately preceding his Termination Date, such Change Payment to be made to Watkins within forty-five (45) days after the later of (i) his Termination Date or (ii) the date of the Change in Control, the exact date of payment to be determined in the sole discretion of the Bank; provided, however, that the Bank shall be relieved of its obligation to pay the Change Payment if Watkins fails to sign and deliver to the Bank no later than twenty-one (21) days after the Termination Date a General Release and Waiver in the form attached to this Agreement as Exhibit A. Notwithstanding anything to the contrary in this Section 9.4, any payment pursuant to this Section shall be subject to (i) any delay in payment required by Section 10.3 hereof and (ii) any reduction required pursuant to Section 10.2 hereof, as applicable.

10. Compliance with Certain Restrictions.

10.1 Certain Defined Terms. For purposes of this Agreement, the following terms are defined as follows:

(a) "Additional 280G Payments" means any distributions in the nature of compensation by any Bank Entity to or for the benefit of Watkins (including, but not limited to, the value of acceleration in vesting in restricted stock, options or any other stock-based compensation), whether or not paid or payable or distributed or distributable pursuant to this Agreement, which is required to be taken into consideration in applying Section 280G(b)(2)(A) of the Code;

(b) "Applicable Severance" means Watkins' severance from employment by reason of involuntary termination by the Bank or in connection with any bankruptcy, liquidation or receivership of the Bank or any other entity that is treated as the same employer under EESA, in each case as determined under the regulations implementing Section 111(b) of EESA;

(c) Authorities Period" means the period under which the authorities of Section 101 of EESA are in effect, as determined pursuant to Section 120 thereof;

(d) "Determining Firm" means a reputable law or accounting firm selected by the Bank to make a determination pursuant to this Article 10;

(e) "EESA" means the Emergency Economic Stabilization Act of 2008, Public Law 110-343, as implemented by any guidance or regulations thereunder;

(f) "Incentive Compensation" means all bonus and other incentive-based compensation, as those terms are applied under EESA;

(g) "Parachute Payment" is defined as set forth in Section 280G(b)(2) of the Code, with amounts payable during the Authorities Period upon Applicable Severance being specifically included in applying such provision;

(h) "Total Change in Control Payments" means the total amount of the Change Payment together with all Additional 280G Payments that are required to be paid because of a Change in Control; and

(i) "Total Severance Payments" means the total amount of payments, including Additional 280G Payments, that are required to be paid to Watkins but that would not have been payable to him if no Applicable Severance had occurred.

10.2 Compliance with Section 280G.

(a) Notwithstanding anything in this Agreement to the contrary, if any amount becomes payable to Watkins because of an Applicable Severance and (ii) the Determining Firm determines that any portion of the Total Severance Payments would otherwise constitute a Parachute Payment, the amount payable to Watkins shall automatically be reduced by the smallest amount necessary so that no portion of the Total Severance Payments will be a Parachute Payment. If Total Severance Payments are to be paid in other than a lump sum, such reduction shall be applied in inverse order to the time at which the payments are scheduled to be made (e.g., the last scheduled payment will be the first such payment to be reduced). If, despite the foregoing sentence, a payment shall be made to Watkins that would constitute a Parachute Payment, Watkins shall have no right to retain such payment, and, immediately upon being informed of the impropriety of such payment, Watkins shall return such payment to the Bank or other Bank Entity that was the payer thereof, together with interest at the applicable federal rate determined pursuant to Section 1274(d) of the Code.

(b) Notwithstanding anything in this Agreement to the contrary, other than Section 10.2(a) above, if the Determining Firm determines that any portion of the Total Change in Control Payments would otherwise constitute a Parachute Payment, the amount payable to Watkins shall automatically be reduced by the smallest amount necessary so that no portion of the Total Change in Control Payments will be a Parachute Payment. If Total Change in Control Payments are to be paid in other than a lump sum, such reduction shall be applied in inverse order to the time at which the payments are scheduled to be made (e.g., the last scheduled payment will be the first such payment to be reduced). If, despite the foregoing sentence, a payment shall be made to Watkins that would constitute a Parachute Payment, Watkins shall have no right to retain such payment and, immediately upon being informed of the impropriety of such payment, Watkins shall return such payment to the Bank or other Bank Entity that was the payer thereof, together with interest at the applicable federal rate determined pursuant to Section 1274(d) of the Code.

10.3 Compliance with Section 409A.

(a) It is the intention of the parties hereto that this Agreement and the payments provided for hereunder shall not be subject to, or shall be in accordance with, Section 409A, and thus avoid the imposition of any tax and interest on Watkins pursuant to Section 409A(a)(1)(B) of the Code, and this Agreement shall be interpreted and construed consistent with this intent. Watkins acknowledges and agrees that he shall be solely responsible for the payment of any tax or penalty which may be imposed or to which he may become subject as a result of the payment of any amounts under this Agreement.

(b) Notwithstanding any provision of this Agreement to the contrary, if Watkins is a "specified employee" at the time of his "separation from service", any payment of "nonqualified deferred compensation" (in each case as determined pursuant to Section 409A) that is otherwise to be paid to Watkins within six (6) months following his separation from service, then to the extent that such payment would otherwise be subject to interest and additional tax under Section 409A(a)(1)(B) of the Code, such payment shall be delayed and shall be paid on the first business day of the seventh calendar month following Watkins' separation from service, or, if earlier, upon Watkins' death. Any deferral of payments pursuant to the foregoing sentence shall have no effect on any payments that are scheduled to be paid more than six (6) months after the date of separation from service.

(c) The parties hereto agree that they shall take such actions as may be necessary and permissible under applicable law, regulation and guidance to amend or revise this Agreement in order to ensure that Section 409A(a)(1)(B) does not impose additional tax and interest on payments made pursuant to this Agreement.

10.4 Clawback if Material Inaccuracy. If any Incentive Compensation that is paid to Watkins by the Bank or any other Bank Entity while the U.S. Treasury holds any equity securities in Bancorp is based on any materially inaccurate financial statement or other materially inaccurate performance metric criteria, as those terms are applied under EESA, Watkins shall be required to disgorge and pay over to the Bank or such other Bank Entity all such Incentive Compensation, together with interest at the applicable federal rate determined pursuant to Section 1274(d) of the Code.

11. Assignability. Watkins shall have no right to assign this Agreement or any of his rights or obligations hereunder to another party or parties. The Bank may assign this Agreement to any of its Affiliates or to any Person that acquires a substantial portion of the operating assets of the Bank. Upon any such assignment by the Bank, references in this Agreement to the Bank shall automatically be deemed to refer to such assignee instead of, or in addition to, the Bank, as appropriate in the context.

12. Governing Law; Venue. This Agreement shall be governed by and construed in accordance with the laws of the State of Maryland applicable to contracts executed and to be performed therein, without giving effect to the choice of law rules thereof. Any action to enforce any provision of this Agreement may be brought only in a court of the State of Maryland or in the United States District Court for the District of Maryland. Accordingly, each party (a) agrees to submit to the jurisdiction of such courts and to accept service of process at its address for notices and in the manner provided in Section 13 for the giving of notices in any such action or proceeding brought in any such court and (b) irrevocably waives any objection to the laying of venue of any such proceeding brought in such a court and any claim that any such proceeding brought in such a court has been brought in an inconvenient or inappropriate forum.

13. Notices. All notices, requests, demands and other communications required to be given or permitted to be given under this Agreement shall be in writing and shall be conclusively deemed to have been given as follows: (a) when hand delivered to the other party; (b) when received by facsimile at the facsimile number set forth below, provided, however, that any notice given by facsimile shall not be effective unless either (i) a duplicate copy of such facsimile notice is promptly given by depositing the same in a United States post office first-class postage prepaid and addressed to the applicable party as set forth below or (ii) the receiving party delivers a written confirmation of receipt for such notice either by facsimile or by any other method permitted under this Section; or (c) when deposited in a United States post office with first-class certified mail, return receipt requested, postage prepaid and addressed to the applicable party as set forth below; or (d) when deposited with a national overnight delivery service reasonably approved by the parties (Federal Express and DHL WorldWide Express being deemed approved by the parties), postage prepaid, addressed to the applicable party as set forth below with next-business-day delivery guaranteed; provided that the sending party receives a confirmation of delivery from the delivery service provider. Any notice given by facsimile shall be deemed received on the date on which notice is received except that if such notice is received after 5:00 p.m. (recipient's time) or on a non-business day, notice shall be deemed given the next business day). Any notice sent by Untied States mail shall be deemed given three (3) business days after the same has been deposited in the United States mail. Any notice given by national overnight delivery service shall be deemed given on the first business day following deposit with such delivery service. For purposes of this Agreement, the term "business day" shall mean any day other than a Saturday, Sunday or day that is a legal holiday in Montgomery County, Maryland. The address of a party set forth below may be changed by that party by written notice to the other from time to time pursuant to this Article.

To: Barry C. Watkins

Fax No.

To: EagleBank
c/o Ronald D. Paul
7815 Woodmont Ave.
Bethesda, MD 20814
Fax No.: 301.986-8529

cc: Fred Sommer, Esquire
Shulman, Rogers, Gandal, Pordy & Ecker, P.A.
11921 Rockville Pike, 3rd Floor
Rockville, Maryland 20852
Fax No.: 301-230-2891

After August 1, 2009 to:

Fred Sommer, Esquire
Shulman, Rogers, Gandal, Pordy & Ecker, P.A.
12505 Park Potomac Avenue, Sixth Floor
Potomac, MD 20854
Fax No.:

14. Entire Agreement. This Agreement contains all of the agreements and understandings between the parties hereto with respect to the employment of Watkins by the Bank, and supersedes all prior agreements, arrangements and understandings related to the subject matter hereof. No oral agreements or written correspondence shall be held to affect the provisions hereof. No representation, promise, inducement or statement of intention has been made by either party that is not set forth in this Agreement, and neither party shall be bound by or liable for any alleged representation, promise, inducement or statement of intention not so set forth. Not in limitation of the foregoing, this Agreement supersedes and replaces the Original Agreement, except that Watkins shall remain entitled to receive any compensation earned but not yet paid thereunder.

15. Headings. The Article and Section headings contained in this Agreement are for reference purposes only and shall not in any way affect the meaning or interpretation of this Agreement.

16. Severability. Should any part of this Agreement for any reason be declared or held illegal, invalid or unenforceable, such determination shall not affect the legality, validity or enforceability of any remaining portion or provision of this Agreement, which remaining portions and provisions shall remain in force and effect as if this Agreement has been executed with the illegal, invalid or unenforceable portion thereof eliminated.

17. Amendment; Waiver. Neither this Agreement nor any provision hereof may be amended, modified, changed, waived, discharged or terminated except by an instrument in writing signed by the party against which enforcement of the amendment, modification, change, waiver, discharge or termination is sought. The failure of either party at any time or times to require performance of any provision hereof shall not in any manner affect the right at a later time to enforce the same. No waiver by either party of the breach of any term, provision or covenant contained in this Agreement, whether by conduct or otherwise, in any one or more instances, shall be deemed to be, or construed as, a further or continuing waiver of any such breach, or a waiver of the breach of any other term, provision or covenant contained in this Agreement.

18. Gender and Number. As used in this Agreement, the masculine, feminine and neuter gender, and the singular or plural number, shall each be deemed to include the other or others whenever the context so indicates.

19. Binding Effect. This Agreement is and shall be binding upon, and inures to the benefit of, the Bank, its successors and assigns, and Watkins and his heirs, executors, administrators, and personal and legal representatives.

[signatures on following page]

IN WITNESS WHEREOF, the parties have executed this Amended and Restated Employment Agreement as of the date first written above.

EAGLEBANK

By: _____
Name: Ronald D. Paul
Title: Chief Executive Officer

BARRY C. WATKINS

_____

Attachment A

Form of
General Release and Waiver of All Claims

Barry C. Watkins ("**you**") executes this General Release And Waiver of All Claims (the "**Release**") as a condition of receiving certain payments and other benefits in accordance with the terms of Section 7.7 of your Amended and Restated Employment Agreement dated , 2008. All capitalized terms used but not otherwise defined herein shall have the same meaning as in your Employment Agreement.

1. RELEASE.

You hereby release and forever discharge EagleBank and Eagle Bancorp, Inc. [*modify to specifically include any additional Affiliates*] and each and every one of their former or current subsidiaries, parents, affiliates, directors, officers, employees, agents, parents, affiliates, successors, predecessors, subsidiaries, assigns and attorneys (the "**Released Parties**") from any and all charges, claims, damages, injury and actions, in law or equity, which you or your heirs, successors, executors, or other representatives ever had, now have, or may in the future have by reason of any act, omission, matter, cause or thing through the date of your execution of this Release. You understand that this Release is a general release of all claims you may have against the Released Parties based on any act, omission, matter, case or thing through the date of your execution of this Release.

2. WAIVER.

You realize there are many laws and regulations governing the employment relationship. These include, but are not limited to, Title VII of the Civil Rights Acts of 1964 and 1991; the Age Discrimination in Employment Act of 1967; the Americans with Disabilities Act; the National Labor Relations Act; 42 U.S.C. § 1981; the Family and Medical Leave Act; the Employee Retirement Income Security Act of 1974 (other than any accrued benefit(s) to which you have a non-forfeitable right under any pension benefit plan); the Maryland Civil Rights Act, the Maryland Wage Payment and Collection Law, Maryland Occupational Safety and Health Act, the Maryland Collective Bargaining Law, and any other state, local and federal employment laws; and any amendments to any of the foregoing. You also understand there may be other statutes and laws of contract and tort that also relate to your employment. By signing this Release, you waive and release any rights you may have against the Released Parties under these and any other laws based on any act, omission, matter, cause or thing through the date of your execution of this Release. You also agree not to initiate, join, or voluntarily participate in any action or suit in any court or to accept any damages or other relief from any such proceeding brought by anyone else based on any act, omission, matter, cause or thing through the date of your execution of this Release.

3. NOTICE PERIOD.

This document is important. We advise you to review it carefully and consult an attorney before signing it, as well as any other professional whose advice you value, such as an accountant or financial advisor. If you agree to the terms of this Release, sign in the space indicated below for your signature. You will have twenty-one (21) calendar days from the date you receive this document to consider whether to sign this Release. If you choose to sign the Release before the end of that twenty-one day period, you certify that you did so voluntarily for your own benefit and not because of any coercion.

4. RETURN OF PROPERTY.

You certify that you have fully complied with Section 8.4 of your Employment Agreement.

5. REVOCATION.

You should also understand that even after you have signed this Release, you still have seven (7) days to revoke it. To revoke your acceptance of this Release, the Chairman of the Bank's Board of Directors must receive written notice before the end of the seven (7)-day period. In the event you revoke or do not accept this Release, you will not be entitled to any of the payments or benefits that you would have been entitled to under your Employment Agreement by virtue of executing this Release. If you do not revoke this Release within seven (7) days after you sign it, it will be final, binding, and irrevocable.

IN WITNESS WHEREOF, the Parties have knowingly and voluntarily executed this Release, as of the day and year first set forth below.

Barry C. Watkins	**Date**
EagleBank	**Date**

Exhibit 10.9

AMENDED AND RESTATED
EMPLOYMENT AGREEMENT

THIS AMENDED AND RESTATED EMPLOYMENT AGREEMENT ("Agreement") is made and entered into as of the 2nd day of December, 2008, by and between EagleBank, a Maryland chartered commercial bank (the "Bank"), and Janice L. Williams ("Williams").

RECITALS:

WHEREAS, the Bank and Williams are parties to an Employment Agreement dated January 1, 2007 (the "Original Agreement"), pursuant to which Williams serves as Executive Vice President and Chief Credit Officer of the Bank; and

WHEREAS, the parties believe that amendment of the Original Agreement is appropriate in order to ensure that Section 409A(a)(1)(B) of the Internal Revenue Code does not impose additional tax and interest on payments to Williams; and

WHEREAS, the parties believe that amendment of the Original Agreement is appropriate in order to ensure that the provisions thereof do not impede the ability of the Bank and its affiliates to receive funds from the U.S. Department of Treasury pursuant to the Troubled Assets Relief Plan Capital Purchase Program; and

WHEREAS, to accomplish the foregoing, the parties desire to hereby enter into this Agreement to supersede and replace the Original Agreement.

NOW, THEREFORE, in consideration of the premises and the mutual covenants and agreements set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound hereby, the parties hereto agree as follows:

1. Employment. The Bank agrees to employ Williams, and Williams agrees to be employed as Executive Vice President and Chief Credit Officer, subject to the terms and provisions of this Agreement.

2. Certain Definitions. As used in this Agreement, the following terms have the meanings set forth below:

2.1 "Affiliate" means, with respect to any Person, (i) any Person directly or indirectly controlling, controlled by or under common control with such Person, (ii) any Person owning or controlling fifty percent (50%) or more of the outstanding voting interests of such Person, (iii) any officer, director, general partner, managing member, or trustee of, or Person serving in a similar capacity with respect to, such Person, or (iv) any Person who is an officer, director, general partner, member, trustee, or holder of fifty percent (50%) or more of the voting interests of any Person described in clauses (i), (ii), or (iii) of this sentence. For purposes of this definition, the terms "controlling," "controlled by," or "under common control with" shall mean the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities, by contract or otherwise.

2.2 "Bancorp" means Eagle Bancorp, Inc., a Maryland corporation.

2.3 "Bank" is defined in the Recitals. If the Bank is merged into any other Entity, or transfers substantially all of its business operations or assets to another Entity, the term "Bank" shall be deemed to include such successor Entity for purposes of applying Article 8 of this Agreement.

2.4 "Bank Entities" means and includes any of the Bank, Bancorp and their Affiliates.

2.5 "Bank Regulatory Agency" means any governmental authority, regulatory agency, ministry, department, statutory corporation, central bank or other body of the United States or of any other country or of any state or other political subdivision of any of them having jurisdiction over the Bank or any transaction contemplated, undertaken or proposed to be undertaken by the Bank, including, but not necessarily be limited to:

(a) the Federal Deposit Insurance Corporation or any other federal or state depository insurance organization or fund;

(b) the Federal Reserve System, the Maryland Division of Financial Institutions, or any other federal or state bank regulatory or commissioner's office;

(c) any Person established, organized, owned (in whole or in part) or controlled by any of the foregoing; and

(d) any predecessor, successor or assignee of any of the foregoing.

2.6 "Board" means the Board of Directors of the Bank.

2.7 "Code" means the Internal Revenue Code of 1986, as amended.

2.8 "Competitive Business" means the banking and financial services business, which includes, without limitation, consumer savings, commercial banking, the insurance and trust business, the savings and loan business and mortgage lending, or any other business in which any of the Bank Entities is engaged or has invested significant resources within the prior six (6) month period in preparation for becoming actively engaged.

2.9 "Competitive Products or Services" means, as of any time, those products or services of the type that any of the Bank Entities is providing, or is actively preparing to provide, to its customers.

2.10 "Disability" means a mental or physical condition which, in the good faith opinion of the Board, renders Williams, with reasonable accommodation, unable or incompetent to carry out the material job responsibilities which Williams held or the material duties to which Williams was assigned at the time the disability was incurred, which has existed for at least three (3) months and which in the opinion of a physician mutually agreed upon by the Bank and Williams (*provided* that neither party shall unreasonably withhold such agreement) is expected to be permanent or to last for an indefinite duration or a duration in excess of nine (9) months.

2.11 "Expiration Date" means August 31, 2011.

2.12 "Person" means any individual or Entity.

2.13 "Section 409A" means Section 409A of the Code and the regulations and administrative guidance promulgated thereunder.

2.14 "Termination Date" means the Expiration Date or such earlier date on which the Term expires pursuant to Section 3.1 or is terminated pursuant to Section 7.2, 7.3, 7.4, or 7.5, as applicable.

Other terms are defined throughout this Agreement and have the meanings so given them.

3. Term; Position.

3.1 Term. Williams' employment hereunder shall continue until the Expiration Date, unless extended in writing by both the Bank and Williams or sooner terminated in accordance with the provisions of this Agreement (the "Term").

3.2 Position. The Bank shall employ Williams to serve as Executive Vice President and Chief Credit Officer.

3.3 No Restrictions. Williams represents and warrants to the Bank that Williams is not subject to any legal obligations or restrictions that would prevent or limit her entering into this Agreement and performing her responsibilities hereunder.

4. Duties of Williams.

4.1 Nature and Substance. Williams shall report directly to and shall be under the direction of *the Chief Executive Officer*. The specific powers and duties of Williams shall be established, determined and modified by and within the discretion of the Board.

4.2 Performance of Services. Williams agrees to devote her full business time and attention to the performance of her duties and responsibilities under this Agreement, and shall use her best efforts and discharge her duties to the best of her ability for and on behalf of the Bank and toward its successful operation. Williams agrees that, without the prior written consent of the Board, she will not during the Term, directly or indirectly, perform services for or obtain a financial or ownership interest in any other Entity (an "Outside Arrangement") if such Outside Arrangement would interfere with the satisfactory performance of her duties to the Bank, present a conflict of interest with the Bank and/or Bancorp, breach her duty of loyalty or fiduciary duties to the Bank and/or Bancorp, or otherwise conflict with the provisions of this Agreement. Williams shall promptly notify the Board of any Outside Arrangement, provide the Bank with any written agreement in connection therewith and respond fully and promptly to any questions that the Board may ask with respect to any Outside Arrangement. If the Board determines that Williams' participation in an Outside Arrangement would interfere with her satisfactory performance of her duties to the Bank, present a conflict of interest with the Bank and/or Bancorp, breach her duty of loyalty or fiduciary duties to the Bank and/or Bancorp, or otherwise conflict with the provisions of this Agreement, Williams shall not undertake, or shall cease, such Outside Arrangement as soon as feasible after the Board notifies her of such determination. Notwithstanding any provision hereof to the contrary, this Section 4.2 does not restrict Williams' right to own securities of any Entity that files periodic reports with the Securities and Exchange Commission under Section 13 or 15(d) of the Securities Exchange Act of 1934, as amended; provided that her total ownership constitutes less than two percent (2%) of the outstanding securities of such company.

4.3 Compliance with Law. Williams shall comply with all laws, statutes, ordinances, rules and regulations relating to her employment and duties.

5. Compensation; Benefits. As full compensation for all services rendered pursuant to this Agreement and the covenants contained herein, the Bank shall pay to Williams the following:

5.1 Salary. Through the end of the Term, Williams shall be paid a salary ("Salary") of Two Hundred Twenty-five Thousand Dollars ($225,000.00) on an annualized basis. The Bank shall pay Williams' Salary in equal installments in accordance with the Bank's regular payroll periods as may be set by the Bank from time to time. Williams' Salary may be further increased from time to time, at the discretion of the Board. Williams may also be entitled to certain incentive bonus payments as determined by Board approved incentive plans.

5.2 Withholding. Payments of Salary shall be subject to the customary withholding of income and other employment taxes as is required with respect to compensation paid by an employer to an employee.

5.3 Vacation and Leave. Williams shall be entitled to such vacation and leave as may be provided for under the current and future leave and vacation policies of the Bank for executive officers.

5.4 Office Space. The Bank will provide customary office space and office support to Williams.

5.5 Parking. Paid parking at Williams' regular worksite will be provided by the Bank at its expense.

5.6 Car Allowance. The Bank will pay Williams a monthly car allowance of Five Hundred Dollars ($500.00).

5.7 Non-Life Insurance. The Bank will provide Williams with group health, disability and other insurance as the Bank may determine appropriate for all employees of the Bank.

5.8 Life Insurance.

5.8.1 Williams may obtain a term life insurance policy (the "Policy") on Williams in the amount of Seven Hundred Fifty Thousand Dollars ($750,000.00), the particular product and carrier to be chosen by Williams in her discretion. Williams shall have the right to designate the beneficiary of the Policy. If the Policy is obtained, Williams shall provide the Bank with a copy of the Policy, and the Bank will pay, during the Term of this Agreement, the premiums for the Policy upon submission by Williams to the Bank of the invoices therefor. In the event Williams is rated and the premium exceeds the standard rate for a Seven Hundred Fifty Thousand Dollar ($750,000.00) policy, the Policy amount shall be lowered to the maximum amount that can be purchased at the standard rate for a Seven Hundred Fifty Thousand Dollar ($750,000.00) policy. For example, if Williams is rated and the standard rate for a Seven Hundred Fifty Thousand Dollar ($750,000.00) policy would acquire a Five Hundred Thousand Dollar ($500,000.00) policy, the Bank would only be required to pay the premium for a Five Hundred Thousand Dollar ($500,000.00) policy. If a Policy is obtained and it is cancelled or terminated, Williams shall immediately notify the Bank of such cancellation or termination.

5.8.2 The Bank may, at its cost, obtain and maintain "key-man" life insurance and/or Bank-owned life insurance on Williams in such amount as determined by the Board from time to time. Williams agrees to cooperate fully and to take all actions reasonably required by the Bank in connection with such insurance.

5.9 Expenses. The Bank shall, promptly upon presentation of proper expense reports therefor, pay or reimburse Williams, in accordance with the policies and procedures established from time to time by the Bank for its officers, for all reasonable and customary travel (other than local use of an automobile for which Williams is being provided the car allowance) and other out-of-pocket expenses incurred by Williams in the performance of her duties and responsibilities under this Agreement and promoting the business of the Bank, including approved membership fees, dues and the cost of attending business related seminars, meetings and conventions.

5.10 Retirement Plans. Williams shall be entitled to participate in any and all qualified pension or other retirement plans of the Bank which may be applicable to personnel of the Bank.

5.11 Other Benefits. While this Agreement is in effect, Williams shall be entitled to all other benefits that the Bank provides from time to time to its officers.

5.12 Eligibility. Participation in any health, life, accident, disability, medical expense or similar insurance plan or any qualified pension or other retirement plan shall be subject to the terms and conditions contained in such plan. All matters of eligibility for benefits under any insurance plans shall be determined in accordance with the provisions of the applicable insurance policy issued by the applicable insurance company.

5.13 Equity Compensation. Williams shall be eligible to receive awards of options, SARs and /or Restricted Stock under the 2006 Stock Plan of Bancorp, from time to time, at the discretion of the 2006 Plan Committee or Compensation Committee of the Board of Directors of Bancorp.

6. Conditions Subsequent to Continued Operation and Effect of Agreement.

6.1 Continued Approval by Bank Regulatory Agencies. This Agreement and all of its terms and conditions, and the continued operation and effect of this Agreement and the Bank's continuing obligations hereunder, shall at all times be subject to the continuing approval of any and all Bank Regulatory Agencies whose approval is a necessary prerequisite to the continued operation of the Bank. Should any term or condition of this Agreement, upon review by any Bank Regulatory Agency, be found to violate or not be in compliance with any then-applicable statute or any rule, regulation, order or understanding promulgated by any Bank Regulatory Agency, or should any term or condition required to be included herein by any such Bank Regulatory Agency be absent, this Agreement may be rescinded and terminated by the Bank if the parties hereto cannot in good faith agree upon such additions, deletions or modifications as may be deemed necessary or appropriate to bring this Agreement into compliance.

7. Termination of Agreement. Prior to the Expiration Date, the Term of this Agreement may be terminated as provided below in this Article 7.

7.1 Definition of Cause. For purposes of this Agreement, "Cause" means:

(a) any act of theft, fraud, intentional misrepresentation, personal dishonesty or breach of fiduciary duty involving personal gain or similar conduct by Williams with respect to the Bank Entities or the services to be rendered by her under this Agreement;

(b) any failure of this Agreement to comply with any Bank Regulatory Agency requirement which is not cured in accordance with Section 6.1 within a reasonable period of time after written notice thereof;

(c) any Bank Regulatory Agency action or proceeding against Williams as a result of her negligence, fraud, malfeasance or misconduct;

(d) indictment of Williams, or Williams' conviction or plea of *nolo contendere* at the trial court level, of a felony, or any crime of moral turpitude, or involving dishonesty, deception or breach of trust;

(e) any of the following conduct on the part of Williams that Williams has not corrected or cured within thirty (30) days after having received written notice from the Bank detailing and describing such conduct (provided, however, that the Bank shall not be required to provide Williams with notice and opportunity to cure more than two (2) times in any twelve (12) month period):

(i) habitual absenteeism, or the failure by or the inability of Williams to devote full time attention and energy to the performance of Williams' duties pursuant to this Agreement (other than by reason of her death or Disability);

(ii) intentional material failure by Williams to carry out the explicit lawful and reasonable directions, instructions, policies, rules, regulations or decisions of the Board which are consistent with her position;

(iii) willful or intentional misconduct on the part of Williams that results, or that the Board in good faith determines may result, in substantial injury to the Bank or any of its Affiliates; or

(iv) any action (including any failure to act) or conduct by Williams in violation of a material provision of this Agreement (including but not limited to the provisions of Article 8 hereof, which shall be deemed to be material); or

(f) the use of drugs, alcohol or other substances by Williams to an extent which materially interferes with or prevents Williams from performing her duties under this Agreement;

(g) the determination by the Board, in the exercise of its reasonable judgment and in good faith, that Williams' job performance is substantially unsatisfactory and that she has failed to cure such performance within a reasonable period (but in no event more than thirty (30) days) after written notice specifying in reasonable detail the nature of the unsatisfactory performance; or

(h) Williams' commission of unethical business practices, acts of moral turpitude, financial impropriety, fraud or dishonesty in any material matter which the Board in good faith determines could adversely affect the reputation, standing or financial prospects of the Bank or its Affiliates.

7.2 Termination by the Bank for Cause. After the occurrence of any of the conditions specified in Section 7.1, the Bank shall have the right to terminate the Term for Cause immediately on written notice to Williams.

7.3 Termination by the Bank without Cause. The Bank shall have the right to terminate the Term at any time on written notice without Cause, for any or no reason, such termination to be effective on the date on which the Bank gives such notice to Williams or such later date as may be specified in such notice.

7.4 Termination for Death or Disability. The Term shall automatically terminate upon the death of Williams or upon the Board's determination that Williams is suffering from a Disability.

7.5 Termination by Williams. Williams shall have the right to terminate the Term at any time, such termination to be effective on the date ninety (90) days after the date on which Williams gives such notice to the Bank unless Williams and the Bank agree in writing to a later date on which such termination is to be effective. After receiving notice of termination, the Bank may require Williams to devote her good faith energies to transitioning her duties to her successor and to otherwise helping to minimize the adverse impact of her resignation upon the operations of the Bank. If Williams fails or refuses to fully cooperate with such transition, the Bank may immediately terminate Williams, in which case it shall no longer have any obligation to pay any Salary or provide any benefits to her, but solely for purposes of Sections 8.5 and 8.6 below, the Termination Date shall be the date ninety (90) days after the date on which Williams gives notice of termination to the Bank pursuant to the first sentence of this Section 7.5, or the later date referred to therein, whichever is later.

7.6 Pre-Termination Salary and Expenses. Without regard to the reason for, or the timing of, the termination or expiration of the Term: (a) the Bank shall pay Williams any unpaid Salary due for the period prior to the Termination Date; and (b) following submission of proper expense reports by Williams, the Bank shall reimburse Williams for all expenses incurred prior to the Termination Date and subject to reimbursement pursuant to Section 5.9 hereof. These payments shall be made promptly upon termination and within the period of time mandated by law.

7.7 Severance if Termination by the Bank without Cause. Provided that Williams signs and delivers to the Bank no later than twenty-one (21) days after the Termination Date a General Release and Waiver in the form attached to this Agreement as Exhibit A, and except as set forth below, if the Term is terminated by the Bank during the Term without Cause, the Bank shall, for a period of one (1) year following the Termination Date, (i) continue to pay Williams, in the manner set forth below, Williams' Salary at the rate being paid as of the Termination Date, and (ii) if Williams timely elects to continue her health insurance benefits under COBRA, pay to the insurer Williams' premiums for health insurance benefits continuation (for so long as Williams remains qualified for such continuation under COBRA); provided, however, that Williams shall not be entitled to any such payments if she is otherwise entitled to payments pursuant to Section 9.4 in relation to a Change in Control. Any payments due Williams pursuant to this Section 7.7 shall be paid to Williams in installments on the same schedule as Williams was paid immediately prior to the Termination Date, each installment to be the same amount Williams would have been paid under this Agreement if she had not been terminated. In the event Williams breaches any provision of Article 8 of this Agreement, Williams' entitlement to any payments payable pursuant to this Section 7.7, if and to the extent not yet paid, shall thereupon immediately cease and terminate as of the date of such breach, with Williams having the obligation to repay to the Bank any payments that were paid to her and any payments for health insurance benefits continuation pursuant to this Section 7.7 with respect to the period after such breach occurred and before such breach became known to the Bank. Furthermore, if termination was initially not for Cause but the Bank thereafter determines in good faith that, during the Term, Williams had engaged in conduct that would have constituted Cause, Williams' entitlement to any payments pursuant to this Section 7.7 shall terminate retroactively to the Termination Date, with Williams having the obligation to repay to the Bank all payments that were paid to her and any payments for health insurance benefits continuation pursuant to this Section 7.7, and, upon the return of all such payments, said General Release and Waiver shall be deemed rescinded and of no force or effect. Notwithstanding anything to the contrary in this Section 7.7, any payment pursuant to this Section shall be subject to (i) any delay in payment required by Section 10.3 hereof and (ii) any reduction required pursuant to Section 10.2 hereof.

7.8 Termination After Change in Control. Sections 9.2 and 9.3 set out provisions applicable to certain circumstances in which the Term may be terminated after Change in Control.

8. Confidentiality; Non-Competition; Non-Interference.

8.1 Confidential Information. Williams, during employment, will have, and has had, access to and become familiar with various confidential and proprietary information of the Bank Entities and/or relating to the business of the Bank Entities ("Confidential Information"), including, but not limited to: business plans; operating results; financial statements and financial information; contracts; mailing lists; purchasing information; customer data (including lists, names and requirements); feasibility studies; personnel related information (including compensation, compensation plans, and staffing plans); internal working documents and communications; and other materials related to the businesses or activities of the Bank Entities which is made available only to employees with a need to know or which is not generally made available to the public. Failure to mark any Confidential Information as confidential, proprietary or protected information shall not affect its status as part of the Confidential Information subject to the terms of this Agreement.

8.2 Nondisclosure. Williams hereby covenants and agrees that she shall not, directly or indirectly, disclose or use, or authorize any Person to disclose or use, any Confidential Information (whether or not any of the Confidential Information is novel or known by any other Person); provided however, that this restriction shall not apply to the use or disclosure of Confidential Information (i) to any governmental entity to the extent required by law, (ii) which is or becomes publicly known and available through no wrongful act of Williams or any Affiliate of Williams or (iii) in connection with the performance of Williams' duties under this Agreement.

8.3 Nondisclosure of this Agreement. The terms, conditions and fact of this Agreement are strictly confidential. From and after the date of execution of this Agreement, Williams agrees not to disclose, directly or indirectly, the existence of this Agreement or any of the terms and conditions herein to any Person except that Williams may disclose the existence of this Agreement or the terms and conditions herein to Williams' immediate family, tax, financial or legal advisers, prospective employers (with whom Williams' employment is not prohibited by Section 8.5), any taxing authority, or as required by law. If Williams is asked about the existence and/or terms and conditions of this Agreement, Williams is permitted to state only that "the terms of my employment are a confidential matter that I am not able to disclose." Williams acknowledges that the terms of this Section 8.3 are a material inducement for the Bank to enter into this Agreement. Notwithstanding the foregoing, Williams may disclose such information regarding this Agreement as may be disclosed by the Bank Entities in any document filed with the Securities and Exchange Commission.

8.4 Documents. All files, papers, records, documents, compilations, summaries, lists, reports, notes, databases, tapes, sketches, drawings, memoranda, and similar items (collectively, "Documents"), whether prepared by Williams, or otherwise provided to or coming into the possession of Williams, that contain any proprietary information about or pertaining or relating to the Bank Entities (the "Bank Information") shall at all times remain the exclusive property of the Bank Entities. Promptly after a request by the Bank or the Termination Date, Williams shall take reasonable efforts to (i) return to the Bank all Documents in any tangible form (whether originals, copies or reproductions) and all computer disks or other media containing or embodying any Document or Bank Information and (ii) purge and destroy all Documents and Bank Information in any intangible form (including computerized, digital or other electronic format) as may be requested in writing by the Chief Executive Officer of the Bank or Chairman of the Board of the Bank, and Williams shall not retain in any form any such Document or any summary, compilation, synopsis or abstract of any Document or Bank Information.

8.5 Non-Competition. Williams hereby acknowledges and agrees that, during the course of employment, Williams has become, and will become, familiar with and involved in all aspects of the business and operations of the Bank Entities. Williams hereby covenants and agrees that from the Commencement Date until the later to occur of (a) the date one (1) year after the Termination Date, or (b) the Expiration Date (the "Restricted Period"), Williams will not at any time (except for the Bank Entities), directly or indirectly, in any capacity (whether as a proprietor, owner, agent, officer, director, shareholder, organizer, partner, principal, manager, member, employee, contractor, consultant or otherwise) provide any advice, assistance or services to any Competitive Business or to any Person that is attempting to form or acquire a Competitive Business if such Competitive Business operates, or is planning to operate, any office, branch or other facility (in any case, a "Branch") that is (or is proposed to be) located within a thirty-five (35) mile radius of the Bank's headquarters or any Branch of the Bank Entities. Notwithstanding any provision hereof to the contrary, this Section 8.5 does not restrict Williams' right to (i) own securities of any Entity that files periodic reports with the Securities and Exchange Commission under

Section 13 or 15(d) of the Securities Exchange Act of 1934, as amended; provided that her total ownership constitutes less than two percent (2%) of the outstanding securities of such company.

8.6 Non-Interference. Williams hereby covenants and agrees that during the Restricted Period, she will not, directly or indirectly, for himself or any other Person (whether as a proprietor, owner, agent, officer, director, shareholder, organizer, partner, principal, member, manager, employee, contractor, consultant or any other capacity):

(a) induce or attempt to induce any customer, supplier, officer, director, employee, contractor, consultant, agent or representative of, or any other Person that has a business relationship with any Bank Entity, to discontinue, terminate or reduce the extent of its, her or her relationship with any Bank Entity or to take any action that would disrupt or otherwise be disadvantageous to any such relationship;

(b) solicit any customer of any of the Bank Entities for the purpose of providing any Competitive Products or Services to such customer (other than any solicitation to the general public that is not disproportionately directed at customers of any Bank Entity); or

(c) solicit any employee of any of the Bank Entities to commence employment with, become a consultant or independent contractor to or otherwise provide services for the benefit of any other Competitive Business

In applying this Section 8.6:

(i) the term "customer" shall be deemed to include, at any time, any Person to which any of the Bank Entities had, during the six (6) month period immediately prior to such time, (A) sold any products or provided any services or (B) submitted, or been in the process of submitting or negotiating, a proposal for the sale of any product or the provision of any services;

(ii) the term "supplier" shall be deemed to include, at any time, any Person which, during the six (6) month period immediately prior to such time, (A) had sold any products or services to any of the Bank Entities or (B) had submitted to any of the Bank Entities a proposal for the sale of any products or services;

(iii) for purposes of clause (c), the term "employee" shall be deemed to include, at any time, any Person who was employed by any of the Bank Entities within the prior six (6) month period (thereby prohibiting Williams from soliciting any Person who had been employed by any of the Bank Entities until six (6) months after the date on which such Person ceased to be so employed); and

(iv) If during the Restricted Period any employee of any of the Bank Entities accepts employment with or is otherwise retained by any Competitive Business of which Williams is an owner, director, officer, manager, member, employee, partner or employee, or to which Williams provides material services, it shall be presumed that such employee was hired in violation of the restriction set forth in clause (c) of this Section 8.6, with such presumption to be overcome only upon Williams' showing by a preponderance of the evidence that she was not directly or indirectly involved in the hiring, soliciting or encouraging such employee to leave employment with the Bank Entities.

8.7 Injunction. In the event of any breach or threatened or attempted breach of any provision of this Article 8 by Williams, the Bank shall, in addition to and not to the exclusion of any other rights and remedies at law or in equity, be entitled to seek and receive from any court of competent jurisdiction (i) full temporary and permanent injunctive relief enjoining and restraining Williams and each and every other Person concerned therein from the continuation of such violative acts and (ii) a decree for specific performance of the applicable provisions of this Agreement, without being required to furnish any bond or other security.

8.8 Reasonableness.

8.8.1 Williams has carefully read and considered the provisions of this Article 8 and, having done so, agrees that the restrictions and agreements set forth in this Article 8 are fair and reasonable and are reasonably

required for the protection of the interests of the Bank Entities and their respective businesses, shareholders, directors, officers and employees. Williams further agrees that the restrictions set forth in this Agreement will not impair or unreasonably restrain her ability to earn a livelihood.

8.8.2 If any court of competent jurisdiction should determine that the duration, geographical area or scope of any provision or restriction set forth in this Article 8 exceeds the maximum duration, geographic area or scope that is reasonable and enforceable under applicable law, the parties agree that said provision shall automatically be modified and shall be deemed to extend only over the maximum duration, geographical area and/or scope as to which such provision or restriction said court determines to be valid and enforceable under applicable law, which determination the parties direct the court to make, and the parties agree to be bound by such modified provision or restriction.

9. Change in Control.

9.1 Definition. "Change in Control" means and shall be deemed to have occurred if:

(a) there shall be consummated (i) any consolidation, merger, share exchange, or similar transaction relating to Bancorp, or pursuant to which shares of Bancorp's capital stock are converted into cash, securities of another Entity and/or other property, other than a transaction in which the holders of Bancorp'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, or (ii) any sale of all or substantially all of the assets of Bancorp, 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 U.S. Treasury Regulations;

(b) any person, entity or group (each within the meaning of Sections 13(d) and 14(d)(2) of the Securities Exchange Act of 1934, as amended (the "Exchange Act")) shall become the beneficial owner (within the meaning of Rules 13d-3 and 13d-5 under the Exchange Act), directly or indirectly, of securities of Bancorp representing more than fifty percent (50%) of the voting power of all outstanding securities of Bancorp entitled to vote generally in the election of directors of Bancorp (including, without limitation, any securities of Bancorp that any such Person has the right to acquire pursuant to any agreement, or upon exercise of conversion rights, warrants or options, or otherwise, which shall be deemed beneficially owned by such Person); or

(c) over a twelve (12) month period, a majority of the members of the Board of Directors of Bancorp are replaced by directors whose appointment or election was not endorsed by a majority of the members of the Board of Directors of Bancorp in office prior to such appointment or election.

Notwithstanding the foregoing, if the event purportedly constituting a Change in Control under Section 9.1(a), Section 9.1(b), or Section 9.1(c) does not also constitute a "change in ownership" of Bancorp, a "change in effective control" of Bancorp, or a "change in the ownership of a substantial portion of the assets" of Bancorp within the meaning of Section 409A, then such event shall not constitute a "Change in Control" hereunder.

9.2 Change in Control Termination. For purposes of this Agreement, a "Change in Control Termination" means that while this Agreement is in effect:

(a) Williams' employment with the Bank is terminated without Cause (i) within one hundred twenty (120) days immediately prior to and in conjunction with a Change in Control or (ii) within twelve (12) months following consummation of a Change in Control; or

(b) Within twelve (12) months following consummation of a Change in Control, Williams' title, duties and or position have been materially reduced such that Williams is not in a comparable position (with materially comparable compensation, benefits and responsibilities and is located within twenty-five (25) miles of Williams' primary worksite) to the position she held immediately prior to the Change in Control, and within thirty (30) days after notification of such reduction she notifies the Bank that she is terminating her employment due to such change in her employment unless such change is cured within thirty (30) days of such notice by providing her with a comparable position (including materially comparable compensation and benefits and is located within twenty-five (25) miles of Williams' primary worksite). If Williams' employment is terminated under this Section, her last day of

employment shall be mutually agreed to by Williams and the Bank, but shall be not more than sixty (60) days after such notice is given by Williams.

9.3 Window Period Resignation After Change in Control. If at the expiration of the twelve (12) month period following consummation of a Change in Control (the "Action Period"), Williams' employment by the Bank has not been terminated, Williams may, by giving written notice to the Bank within the thirty (30) day period immediately following the last day of the Action Period, elect to terminate the Term, in which event her last day of employment will be as mutually agreed to by the Bank and Williams but which shall be not more than sixty (60) days after such notice is given by Williams.

9.4 Change in Control Payment. If there is a Change in Control Termination pursuant to Section 9.2 or Williams resigns after the Action Period pursuant to Section 9.3, Williams shall be paid a lump-sum cash payment (the "Change Payment") equal to 2.99 times Williams' Salary at the highest rate in effect during the twelve (12) month period immediately preceding her Termination Date, such Change Payment to be made to Williams within forty-five (45) days after the later of (i) her Termination Date or (ii) the date of the Change in Control, the exact date of payment to be determined in the sole discretion of the Bank; provided, however, that the Bank shall be relieved of its obligation to pay the Change Payment if Williams fails to sign and deliver to the Bank no later than twenty-one (21) days after the Termination Date a General Release and Waiver in the form attached to this Agreement as Exhibit A. Notwithstanding anything to the contrary in this Section 9.4, any payment pursuant to this Section shall be subject to (i) any delay in payment required by Section 10.3 hereof and (ii) any reduction required pursuant to Section 10.2 hereof, as applicable.

10. Compliance with Certain Restrictions.

10.1 Certain Defined Terms. For purposes of this Agreement, the following terms are defined as follows:

(a) "Additional 280G Payments" means any distributions in the nature of compensation by any Bank Entity to or for the benefit of Williams (including, but not limited to, the value of acceleration in vesting in restricted stock, options or any other stock-based compensation), whether or not paid or payable or distributed or distributable pursuant to this Agreement, which is required to be taken into consideration in applying Section 280G(b)(2)(A) of the Code;

(b) "Applicable Severance" means Williams' severance from employment by reason of involuntary termination by the Bank or in connection with any bankruptcy, liquidation or receivership of the Bank or any other entity that is treated as the same employer under EESA, in each case as determined under the regulations implementing Section 111(b) of EESA;

(c) Authorities Period" means the period under which the authorities of Section 101 of EESA are in effect, as determined pursuant to Section 120 thereof;

(d) "Determining Firm" means a reputable law or accounting firm selected by the Bank to make a determination pursuant to this Article 10;

(e) "EESA" means the Emergency Economic Stabilization Act of 2008, Public Law 110-343, as implemented by any guidance or regulations thereunder;

(f) "Incentive Compensation" means all bonus and other incentive-based compensation, as those terms are applied under EESA;

(g) "Parachute Payment" is defined as set forth in Section 280G(b)(2) of the Code, with amounts payable during the Authorities Period upon Applicable Severance being specifically included in applying such provision;

(h) "Total Change in Control Payments" means the total amount of the Change Payment together with all Additional 280G Payments that are required to be paid because of a Change in Control; and

(i) "Total Severance Payments" means the total amount of payments, including Additional 280G Payments, that are required to be paid to Williams but that would not have been payable to her if no Applicable Severance had occurred.

10.2 Compliance with Section 280G.

(a) Notwithstanding anything in this Agreement to the contrary, if any amount becomes payable to Williams because of an Applicable Severance and (ii) the Determining Firm determines that any portion of the Total Severance Payments would otherwise constitute a Parachute Payment, the amount payable to Williams shall automatically be reduced by the smallest amount necessary so that no portion of the Total Severance Payments will be a Parachute Payment. If Total Severance Payments are to be paid in other than a lump sum, such reduction shall be applied in inverse order to the time at which the payments are scheduled to be made (e.g., the last scheduled payment will be the first such payment to be reduced). If, despite the foregoing sentence, a payment shall be made to Williams that would constitute a Parachute Payment, Williams shall have no right to retain such payment, and, immediately upon being informed of the impropriety of such payment, Williams shall return such payment to the Bank or other Bank Entity that was the payer thereof, together with interest at the applicable federal rate determined pursuant to Section 1274(d) of the Code.

(b) Notwithstanding anything in this Agreement to the contrary, other than Section 10.2(a) above, if the Determining Firm determines that any portion of the Total Change in Control Payments would otherwise constitute a Parachute Payment, the amount payable to Williams shall automatically be reduced by the smallest amount necessary so that no portion of the Total Change in Control Payments will be a Parachute Payment. If Total Change in Control Payments are to be paid in other than a lump sum, such reduction shall be applied in inverse order to the time at which the payments are scheduled to be made (e.g., the last scheduled payment will be the first such payment to be reduced). If, despite the foregoing sentence, a payment shall be made to Williams that would constitute a Parachute Payment, Williams shall have no right to retain such payment and, immediately upon being informed of the impropriety of such payment, Williams shall return such payment to the Bank or other Bank Entity that was the payer thereof, together with interest at the applicable federal rate determined pursuant to Section 1274(d) of the Code.

10.3 Compliance with Section 409A.

(a) It is the intention of the parties hereto that this Agreement and the payments provided for hereunder shall not be subject to, or shall be in accordance with, Section 409A, and thus avoid the imposition of any tax and interest on Williams pursuant to Section 409A(a)(1)(B) of the Code, and this Agreement shall be interpreted and construed consistent with this intent. Williams acknowledges and agrees that she shall be solely responsible for the payment of any tax or penalty which may be imposed or to which she may become subject as a result of the payment of any amounts under this Agreement.

(b) Notwithstanding any provision of this Agreement to the contrary, if Williams is a "specified employee" at the time of her "separation from service", any payment of "nonqualified deferred compensation" (in each case as determined pursuant to Section 409A) that is otherwise to be paid to Williams within six (6) months following her separation from service, then to the extent that such payment would otherwise be subject to interest and additional tax under Section 409A(a)(1)(B) of the Code, such payment shall be delayed and shall be paid on the first business day of the seventh calendar month following Williams' separation from service, or, if earlier, upon Williams' death. Any deferral of payments pursuant to the foregoing sentence shall have no effect on any payments that are scheduled to be paid more than six (6) months after the date of separation from service.

(c) The parties hereto agree that they shall take such actions as may be necessary and permissible under applicable law, regulation and guidance to amend or revise this Agreement in order to ensure that Section 409A(a)(1)(B) does not impose additional tax and interest on payments made pursuant to this Agreement.

10.4 Clawback if Material Inaccuracy. If any Incentive Compensation that is paid to Williams by the Bank or any other Bank Entity while the U.S. Treasury holds any equity securities in Bancorp is based on any materially inaccurate financial statement or other materially inaccurate performance metric criteria, as those terms are applied under EESA, Williams shall be required to disgorge and pay over to the Bank or such other Bank Entity all such Incentive Compensation, together with interest at the applicable federal rate determined pursuant to Section 1274(d) of the Code.

11. Assignability. Williams shall have no right to assign this Agreement or any of her rights or obligations hereunder to another party or parties. The Bank may assign this Agreement to any of its Affiliates or to any Person that acquires a substantial portion of the operating assets of the Bank. Upon any such assignment by the Bank, references in this Agreement to the Bank shall automatically be deemed to refer to such assignee instead of, or in addition to, the Bank, as appropriate in the context.

12. Governing Law; Venue. This Agreement shall be governed by and construed in accordance with the laws of the State of Maryland applicable to contracts executed and to be performed therein, without giving effect to the choice of law rules thereof. Any action to enforce any provision of this Agreement may be brought only in a court of the State of Maryland or in the United States District Court for the District of Maryland. Accordingly, each party (a) agrees to submit to the jurisdiction of such courts and to accept service of process at its address for notices and in the manner provided in Section 13 for the giving of notices in any such action or proceeding brought in any such court and (b) irrevocably waives any objection to the laying of venue of any such proceeding brought in such a court and any claim that any such proceeding brought in such a court has been brought in an inconvenient or inappropriate forum.

13. Notices. All notices, requests, demands and other communications required to be given or permitted to be given under this Agreement shall be in writing and shall be conclusively deemed to have been given as follows: (a) when hand delivered to the other party; (b) when received by facsimile at the facsimile number set forth below, provided, however, that any notice given by facsimile shall not be effective unless either (i) a duplicate copy of such facsimile notice is promptly given by depositing the same in a United States post office first-class postage prepaid and addressed to the applicable party as set forth below or (ii) the receiving party delivers a written confirmation of receipt for such notice either by facsimile or by any other method permitted under this Section; or (c) when deposited in a United States post office with first-class certified mail, return receipt requested, postage prepaid and addressed to the applicable party as set forth below; or (d) when deposited with a national overnight delivery service reasonably approved by the parties (Federal Express and DHL WorldWide Express being deemed approved by the parties), postage prepaid, addressed to the applicable party as set forth below with next-business-day delivery guaranteed; provided that the sending party receives a confirmation of delivery from the delivery service provider. Any notice given by facsimile shall be deemed received on the date on which notice is received except that if such notice is received after 5:00 p.m. (recipient's time) or on a non-business day, notice shall be deemed given the next business day). Any notice sent by Untied States mail shall be deemed given three (3) business days after the same has been deposited in the United States mail. Any notice given by national overnight delivery service shall be deemed given on the first business day following deposit with such delivery service. For purposes of this Agreement, the term "business day" shall mean any day other than a Saturday, Sunday or day that is a legal holiday in Montgomery County, Maryland. The address of a party set forth below may be changed by that party by written notice to the other from time to time pursuant to this Article.

To: Janice L. Williams

Fax No.

To: EagleBank
c/o Ronald D. Paul
7815 Woodmont Ave.
Bethesda, MD 20814
Fax No.: 301.986-8529

cc: Fred Sommer, Esquire
Shulman, Rogers, Gandal, Pordy & Ecker, P.A.
11921 Rockville Pike, 3rd Floor
Rockville, Maryland 20852
Fax No.: 301-230-2891

After August 1, 2009 to:

Fred Sommer, Esquire
Shulman, Rogers, Gandal, Pordy & Ecker, P.A.
12505 Park Potomac Avenue, Sixth Floor
Potomac, MD 20854
Fax No.:

14. Entire Agreement. This Agreement contains all of the agreements and understandings between the parties hereto with respect to the employment of Williams by the Bank, and supersedes all prior agreements, arrangements and understandings related to the subject matter hereof. No oral agreements or written correspondence shall be held to affect the provisions hereof. No representation, promise, inducement or statement of intention has been made by either party that is not set forth in this Agreement, and neither party shall be bound by or liable for any alleged representation, promise, inducement or statement of intention not so set forth. Not in limitation of the foregoing, this Agreement supersedes and replaces the Original Agreement, except that Williams shall remain entitled to receive any compensation earned but not yet paid thereunder.

15. Headings. The Article and Section headings contained in this Agreement are for reference purposes only and shall not in any way affect the meaning or interpretation of this Agreement.

16. Severability. Should any part of this Agreement for any reason be declared or held illegal, invalid or unenforceable, such determination shall not affect the legality, validity or enforceability of any remaining portion or provision of this Agreement, which remaining portions and provisions shall remain in force and effect as if this Agreement has been executed with the illegal, invalid or unenforceable portion thereof eliminated.

17. Amendment; Waiver. Neither this Agreement nor any provision hereof may be amended, modified, changed, waived, discharged or terminated except by an instrument in writing signed by the party against which enforcement of the amendment, modification, change, waiver, discharge or termination is sought. The failure of either party at any time or times to require performance of any provision hereof shall not in any manner affect the right at a later time to enforce the same. No waiver by either party of the breach of any term, provision or covenant contained in this Agreement, whether by conduct or otherwise, in any one or more instances, shall be deemed to be, or construed as, a further or continuing waiver of any such breach, or a waiver of the breach of any other term, provision or covenant contained in this Agreement.

18. Gender and Number. As used in this Agreement, the masculine, feminine and neuter gender, and the singular or plural number, shall each be deemed to include the other or others whenever the context so indicates.

19. Binding Effect. This Agreement is and shall be binding upon, and inures to the benefit of, the Bank, its successors and assigns, and Williams and her heirs, executors, administrators, and personal and legal representatives.

[signatures on following page]

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

EAGLEBANK

By: _____
Name: Ronald D. Paul
Title: Chief Executive Officer

JANICE L. WILLIAMS

_____

Attachment A

Form of
General Release and Waiver of All Claims

Janice L. Williams ("**you**") executes this General Release And Waiver of All Claims (the "**Release**") as a condition of receiving certain payments and other benefits in accordance with the terms of Section 7.7 of your Amended and Restated Employment Agreement dated , 2008. All capitalized terms used but not otherwise defined herein shall have the same meaning as in your Employment Agreement.

1. RELEASE.

You hereby release and forever discharge EagleBank and Eagle Bancorp, Inc. [*modify to specifically include any additional Affiliates*] and each and every one of their former or current subsidiaries, parents, affiliates, directors, officers, employees, agents, parents, affiliates, successors, predecessors, subsidiaries, assigns and attorneys (the "**Released Parties**") from any and all charges, claims, damages, injury and actions, in law or equity, which you or your heirs, successors, executors, or other representatives ever had, now have, or may in the future have by reason of any act, omission, matter, cause or thing through the date of your execution of this Release. You understand that this Release is a general release of all claims you may have against the Released Parties based on any act, omission, matter, case or thing through the date of your execution of this Release.

2. WAIVER.

You realize there are many laws and regulations governing the employment relationship. These include, but are not limited to, Title VII of the Civil Rights Acts of 1964 and 1991; the Age Discrimination in Employment Act of 1967; the Americans with Disabilities Act; the National Labor Relations Act; 42 U.S.C. § 1981; the Family and Medical Leave Act; the Employee Retirement Income Security Act of 1974 (other than any accrued benefit(s) to which you have a non-forfeitable right under any pension benefit plan); the Maryland Civil Rights Act, the Maryland Wage Payment and Collection Law, Maryland Occupational Safety and Health Act, the Maryland Collective Bargaining Law, and any other state, local and federal employment laws; and any amendments to any of the foregoing. You also understand there may be other statutes and laws of contract and tort that also relate to your employment. By signing this Release, you waive and release any rights you may have against the Released Parties under these and any other laws based on any act, omission, matter, cause or thing through the date of your execution of this Release. You also agree not to initiate, join, or voluntarily participate in any action or suit in any court or to accept any damages or other relief from any such proceeding brought by anyone else based on any act, omission, matter, cause or thing through the date of your execution of this Release.

3. NOTICE PERIOD.

This document is important. We advise you to review it carefully and consult an attorney before signing it, as well as any other professional whose advice you value, such as an accountant or financial advisor. If you agree to the terms of this Release, sign in the space indicated below for your signature. You will have twenty-one (21) calendar days from the date you receive this document to consider whether to sign this Release. If you choose to sign the Release before the end of that twenty-one day period, you certify that you did so voluntarily for your own benefit and not because of any coercion.

4. RETURN OF PROPERTY.

You certify that you have fully complied with Section 8.4 of your Employment Agreement.

5. REVOCATION.

You should also understand that even after you have signed this Release, you still have seven (7) days to revoke it. To revoke your acceptance of this Release, the Chairman of the Bank's Board of Directors must receive written notice before the end of the seven (7)-day period. In the event you revoke or do not accept this Release, you will not be entitled to any of the payments or benefits that you would have been entitled to under your Employment Agreement by virtue of executing this Release. If you do not revoke this Release within seven (7) days after you sign it, it will be final, binding, and irrevocable.

IN WITNESS WHEREOF, the Parties have knowingly and voluntarily executed this Release, as of the day and year first set forth below.

Janice L. Williams	**Date**
EagleBank	**Date**

Exhibit 99.1

PRESS RELEASE
FOR IMMEDIATE RELEASE

December 5, 2008

EAGLE BANCORP, INC.
CONTACT:
Ronald D. Paul
301.986.1800

EAGLE BANCORP RECEIVES $38.2 MILLION INVESTMENT UNDER TREASURY CAPITAL PURCHASE PROGRAM

BETHESDA, MD. Eagle Bancorp, Inc. (the "Company") (Nasdaq: EGBN), the parent company of EagleBank, announced that today it completed the sale and issuance of $38,235,000 of a new series of its preferred stock to the United States Department of the Treasury. The Treasury's investment is made pursuant to the Capital Purchase Program established under the Emergency Economic Stabilization Act. The Company also issued the Treasury a Warrant to purchase 770,687 shares of the Company's common stock at an exercise price of $7.44 per share.

Ronald D. Paul, Chairman of the Company stated "I am truly pleased that we have been selected to participate in the Capital Purchase Program. This additional capital will enable us to maintain our strong capital position, continue our course of profitable growth and meet the loan demand from quality business borrowers in our community markets. Although other banks may be cutting back on lending out of uncertainty, or in order to shore up their balance sheet after incurring losses, EagleBank remains open for business." Mr. Paul also noted that participation in the Capital Purchase Program, which Treasury Secretary Paulson has stated is for healthy institutions, may carry some burdens such as increased scrutiny by regulators and others, but we are clearly used to this in the banking industry. We are pleased to obtain this capital at a cost which is lower and less dilutive than would otherwise be available in the equity markets at this time. It is clearly in the best interest of our shareholders and the communities we serve."

The non-voting senior preferred shares issued to the Treasury will pay a dividend of 5% annually for the first five years after issuance and 9% annually after the fifth year, if they are not redeemed.

The Company is the holding company for EagleBank which commenced operations in 1998. The Bank is headquartered in Bethesda, Maryland, and conducts full service commercial banking services through fifteen offices, located in Montgomery County, Maryland, Washington, D.C. and Fairfax County, Virginia. The Company focuses on building relationships with businesses, professionals and individuals in its marketplace.

Forward looking Statements: This press release contains forward looking statements within the meaning of the Securities and Exchange Act of 1934, as amended, including statements of goals, intentions, and expectations as to future trends, plans, events or results of Company operations and policies and regarding general economic conditions. In some cases, forward-looking statements can be identified by use of words such as "may," "will," "anticipates," "believes,"

“expects,” “plans,” “estimates,” “potential,” “continue,” “should,” and similar words or phrases. These statements are based upon current and anticipated economic conditions, nationally and in the Company’s market, interest rates and interest rate policy, competitive factors, the Company’s ability to successfully integrate the operations of Fidelity & Trust and other conditions which by their nature, are not susceptible to accurate forecast and are subject to significant uncertainty. Because of these uncertainties and the assumptions on which this discussion and the forward-looking statements are based, actual future operations and results in the future may differ materially from those indicated herein. Readers are cautioned against placing undue reliance on any such forward-looking statements. The Company’s past results are not necessarily indicative of future performance.

Exhibit 99.2

WAIVER

In consideration for the benefits I will receive as a result of my employer's participation in the United States Department of the Treasury's TARP Capital Purchase Program, I hereby voluntarily waive any claim against the United States or my employer for any changes to my compensation or benefits that are required to comply with the regulation issued by the Department of the Treasury as published in the Federal Register on October 20, 2008.

I acknowledge that this regulation may require modification of the compensation, bonus, incentive and other benefit plans, arrangements, policies and agreements (including so-called "golden parachute" agreements) that I have with my employer or in which I participate as they relate to the period the United States holds any equity or debt securities of my employer acquired through the TARP Capital Purchase Program.

This waiver includes all claims I may have under the laws of the United States or any state related to the requirements imposed by the aforementioned regulation, including without limitation a claim for any compensation or other payments I would otherwise receive, any challenge to the process by which this regulation was adopted and any tort or constitutional claim about the effect of these regulations on my employment relationship.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, I have set my hand as of this day of December, 2008.

Name: